



City of Gahanna

Meeting Minutes

Finance Committee

200 South Hamilton Road
Gahanna, Ohio 43230

Michael Schnetzer, Chair
Karen J. Angelou
Merisa K. Bowers
Nancy R. McGregor
Kaylee Padova
Stephen A. Renner
Trenton I. Weaver

Jeremy A. VanMeter, Clerk of Council

Monday, December 5, 2022

City Hall, Council Chambers

Immediately following the regular City Council meeting on December 5, 2022

A. CALL TO ORDER:

Councilmember Michael Schnetzer, Chair, called the meeting to order at 8:14p.m. The agenda for the meeting was published on December 2, 2022. Councilmember Karen Angelou was absent from the meeting. All other members were present for the meeting. There were no additions or corrections to the agenda.

B. DISCUSSIONS:

1. Quarterly Financial Report

[2022-0337](#)

2022 Quarter 3 Financial Report

Joann Bury, Director of Finance, discussed the Quarter 3 results for the General Fund, Special Revenue funds that receive income taxes, and the Capital Improvement Fund. She said the presentation would include discussion about income tax trends through the third quarter, how investments are looking, and then a conclusion based on the third quarter results. On page 5 of the report, General Fund is broken down into the various categories. Revenue through the third quarter is 83 percent of planned, which is slightly higher than would be expected. Highlights to note includes as follows: income tax coming in at 78 percent of planned and property taxes at 90 percent, which represents 100 percent of the collections for the year. Property taxes are distributed to the City two times in a year (March and August). Other taxes, which represents lodging tax, is about 68 percent of planned. Compared to pre-pandemic levels, it is still 27 percent down, but seeing some improvement. Investment income is coming in at 142 percent. As the City's investments are maturing, we are finding some higher-yield investments to take advantage of. Licenses and permits are 125 percent of

planned. This is based on various construction projects throughout the City. As we look at other revenue, you will see the large amount the same as first and second quarter. This is related to those reimbursements for the EV charging stations. Compared to 2021, we have a 9 percent increase of about \$1.9 million driven by income taxes. Fines and fees are increasing by \$416,000. This is related to the movement of the General Services Division in Public Service back to the General Fund. It was in the Special Revenue Fund for 2021. Interest and investment income increased 57 percent or \$205,000. Licenses and permits are up 73 percent, again, as construction projects continue throughout the city and other revenue increases are related to those EV charging stations, up about \$249,000.

Moving on to expenditures, Bury noted that compared to planned, we are at about 62 percent, but when outstanding encumbrances are considered, it is about 77 percent, which is about where we want to be in the third quarter. Compared to 2021, we have a 15 percent increase of \$2.3 million. Salaries and benefits are driving \$1.2 million of that at an 11 percent increase. As we have discussed previously, Bury noted the 2021 salary study that came into play for 2022, including the changes that were made for the new compensation program. For those who were not impacted by either of those, there were cost of living increases. We have the two union contracts, FOP and FOP-OLC. In the second quarter their retro pay was issued for those contracts. That will continue then through the rest of the year. The movement of the Public Service General Services Division and a portion of Parks & Recreation back to the General Fund are also driving some of those costs. They had some new positions and vacant positions that were outstanding from 2021 that were filled. Bury then addressed materials and supplies and contract services. The majority of this is that movement back of the General Services Division of Public Service. We also have some inflationary cost increases. A lot of this is impacting our fleet, as far as materials and supplies and on the contract services side, we also had some increases. Revenues are in excess of expenditures by approximately \$4.3 million. We have some transfers out and advances out. You will see a decrease there that was planned. We have less that we had to transfer over to the debt service fund and the advance in is related to that repayment from the Water Fund. She said in 2016, we had to bring some funds over for a meter reading error. This activity is the Water Fund paying us back. In total, we have a net impact of fund balance of a little over \$4,000,000. Looking at fund balance in total, that brings us to \$28.3 million as of the end of September. We have a little over \$4 million reserved for encumbrance. The emergency reserve is intact at \$6.7 million, which leaves us an unreserved, unassigned fund balance of about \$17.5 million, which represents about nine months of operations.

Chairman Schnetzer asked on the fund balance, is that expected to hold, or does Bury see any large expenditures in Q4 that would draw that down? Bury said she is expecting that to hold. Revenue seems to be tracking in the same manner it has, and there is nothing that has come to light going through the third quarter that is going to cause expenditures to spike. Schnetzer asked what was the percentage on salaries and benefits, was it 11 percent increase

from last year? Bury said yes. Schnetzer said in his day job he works in public finance, dealing with municipalities all across the country, states, local governments, and in some cases higher education institutions. He just read an outlook by one of the ratings agencies today for states that talked about the number one cost pressure that they are anticipating for 2023 was salaries and benefits. He wanted people to know that this is not to suggest that everybody within the City got an 11 percent raise. We are also adding additional staffing and those types of things. In a highly competitive labor market, with inflation being what it is, cost of living adjustments are going up. This is not unique to just the City of Gahanna. Every unit of government in the country is dealing with this from K-12 on down to cities and park districts, etc. We are all facing the same cost pressures.

Bury discussed the Public Safety Fund, the remainder of the special revenue funds, and the Capital Improvement Fund. These are located on pages 6 through 10 of the report. Looking at the Public Safety Fund, we have revenues of about \$1.1 million, which is 85 percent of planned, a large portion of that related to income tax. We also have the charges for services that are up. A portion of this is related to the SRO (school resource officer) program. As their wages increase, so do the charges that are associated with providing that service. We have expenditures of \$312,000, which is 56 percent of planned. As we had discussed in the first two quarters, the community liaison officer was not filled until March and then there was a vacant school resource officer was not filled until February. You will see some salary savings there. Looking at 2021, you see a slight increase of salaries and benefits and that is related to the addition of that community liaison officer in 2022. At the end of the third quarter, we have fund balance of about \$879,000, which is an increase of about \$273,000 with \$3,800 reserved for encumbrance. Moving on to the Parks & Recreation Fund, the City received about \$1.7 million in revenue, which is 103 percent of planned. Bury said this is expected because it is the end of their season. Their season wraps up in Q3. Therefore, we would expect the majority of their revenue to already be recognized at this point. We also have more than expected income tax. Looking at their expenditures, it is \$1.3 million or 72 percent of planned, which is about where we would expect to be. There is a 3 percent increase in expenditures compared to 2021. That is the increase in salaries and benefits mainly driving that. We entered the third quarter for Parks & Recreation Fund with \$1.4 million, which is a \$381,000 increase with about \$318,000 of that reserved for encumbrance. Moving on to the Public Service Fund, there are revenues of \$1.1 million, which is 91 percent of planned, a little bit higher than you would expect for the third quarter. Compared to 2021, revenue was down 31 percent. This is the movement of activity back to the General Fund. You will see the decreases mainly within fines and fees. There is also a little bit of a decrease in income tax. Bury said that was a change in allocation as we moved into the 2022 year. On the expenditure side, we have \$734,000, which is 47 percent of planned, much lower than would be expected. This fund basically accounts for the Engineering Department. They have had many vacancies throughout the year, which is driving that reduced amount compared to the budget. With the number of vacancies, contract services,

materials and supplies, most of those are related to associated projects that you need those staff to conduct. Bury explained these are working hand-in-hand. Looking at the Public Service Fund balance, we are ending at about \$1.4 million, an increase of about \$330,000 with \$354,000 reserved for encumbrance.

Councilmember McGregor asked if there is a number that shows how much was returned for the pool passes? Once they changed the rules, they offered a refund to some of the members that you know could not take advantage of it because of the change in the rules. Bury said Parks had a separate reporting system for the charges for services that they bring in, which is Rec Trac. They would have to run a report from there to show what those changes might be. Bury suggested emailing Director Ferrell directly to get this detail.

Chairman Schnetzer said while it perhaps is not the largest absolute dollar amount, the fines and fees in the Public Service Fund on a percentage basis seems to really outstrip the budgeted amounts. He is curious what might be the driver for that. Bury said she would have to look to Director Komlanc on that one but believed there are specific fees that are collected related to inspections for various projects. Tom Komlanc, Director of Engineering, reported that development projects are up, so the City captures cost associated with inspections for private development. Also, as a part of the sidewalk program, a lot of residents have taken it on their own initiative to have sidewalk installed. So, there are inspections associated with the right-of-way permit that is pulled. We are seeing increases there as well.

Director Bury continued with the Capital Improvement Fund report. She noted we have \$7.6 million in revenue through the third quarter, about 84 percent of planned mainly driven by income tax. On the expenditure side, we are at \$4.8 million or 18 percent of planned. With encumbrances, that is about 89 percent of planned. Compared to 2021, we are up about \$1.8 million or 59 percent. As older projects are completed, and we are making headway on some of the 2022 projects that are coming up, that increase we are seeing from year to year is based on the activity happening within those projects. Fund balance ended at \$20.6 million, which is an increase of about \$2.9 million. Of that amount, 18.4 percent is reserved for encumbrance. She noted that following the Capital Improvement statement in the packet is a list of projects for 2022 and what their status is.

Chairman Schnetzer said to Bury that in a nutshell, with the Capital Improvement Fund, projects that essentially are in process or committed to, but we just have not written the check yet because it is in the works, that is the encumbrance portion. Bury said this was correct.

Director Bury discussed the income tax to see where some of the increases and decreases are coming from. In total, she reported \$25.7 million in income tax collected through the third quarter. That makes up 70 percent of General Fund revenue, 99 percent of the Capital Improvement Fund and about 65 percent of the special revenue funds. Looking at the makeup of those income

tax collections, 77 percent is related to withholdings, with 11 percent coming from individual returns, and 12 percent coming from net profits. Looking at those three buckets and how each of those have functioned through the third quarter, Bury said they are seeing withholding coming in relatively high and net profits dropping by a pretty significant amount. Bury said this is kind of what we predicted at the end of 2021. We knew that the net profit piece was probably an anomaly, and we kind of see it stabilize. We are seeing that play out in 2022 with that net profit tax returning back to normal levels. We also felt that we were in enough of an economic expansion that withholding taxes and increases there would probably out shadow any decreases that we would see in net profit taxes. Bury said she is anticipating similar results as we wrap up the year. We are probably looking at about a 4 percent increase for the General Fund or the 1.5 percent and then about a 5 percent increase for each of the other funds that receive that 1 percent tax.

Chairman Schnetzer said that the story appears to be that unemployment is low, wages are going up, and that is great for the City. Bury agreed.

Concerning investments, Bury showed the makeup of the City's investment portfolio. We have about 2 percent net cash, which is our banking accounts that we operate out of, and 98 percent is invested in some way, 65 percent in government bonds, CDs, commercial paper, and 32 percent in Star Ohio, and then a very small portion that is sitting in a money market. The majority of our funds are pretty well invested at this point. Looking at the duration, we have about 1.48 years on average for investment portfolio, and the yield is about 2.05 percent. Star Ohio is at 2.54 percent. Looking at the two-year Treasury curve, since we are at a 1.48-year duration, we use that as a key to see where we are heading. In September of 2021, we were at 0.28 percent. We are now at 4.22 percent. This is exceeding pre-pandemic levels from 2019, which came in at 1.63 percent. Bury noted we were seeing those interest rate hikes by the feds playing out on our investment side. Our investment portfolio is experiencing a 57 percent increase over 2021. We are well over 100 percent of what we had planned before we knew these interest rate hikes were going to come in. As we continue through 2022 and into 2023, the main goal of our investment advisors is looking at our portfolio in the same strategic manner that they have, making sure they are securing our investments, as security is always key and trying to take advantage of those rising interest rates. Glancing through our yields for all of our investments, we have been able to reinvest up to 4.5 percent for some investments through the third quarter.

Director Bury concluded that as we end the third quarter, we are seeing revenue stabilization occur. We are seeing actual results exceeding expectations on the revenue side and expenditures a little bit lower than expected. Some of that is driven by salaries and benefits as the City lost some individuals and trying to recruit and retain human capital. Looking at the economy as a whole, Bury said we are recovering. There is the low unemployment rate and growth in GDP for the first time in 2022 occurred in the third quarter, although some believe that it is going to be short lived.

Inflation continues to remain high, but those interest rate hikes are starting to bring it down just a tad. Bury said it is working. They are still expecting some additional rate hikes through the end of the year to try to keep that moving in the right direction. Some of this is also causing a shift in consumer demand. With that, a lot still believe that there is the potential for a recession in the near future. However, based on the economic growth that we are currently experiencing and seeing how the economy is moving, Bury said they do not think that is going to slow or stop the economic expansion that Gahanna is currently seeing. Bury was confident that the economic expansion is going to continue into the out years for the City.

Councilmember Weaver asked Bury with materials and supplies costs, was she seeing any trends of that stabilizing? He referenced NPR is reporting that we are starting to see some things mellow. Bury said through the third quarter, she did not see much of a change. Those prices still seemed to be remaining relatively high. She is hoping that as we move into the first quarter of 2023 that things start to slow a little bit and the City could actually start seeing some of those prices come down. The other side of that is utility cost is driving that, too. Once gas prices go up, the fuel surcharge then reappears on everything. We not only just have overall inflation on the materials themselves, but also when gas prices go up, there are additional fees that are tacked on that drive some of that cost.

Vice President Bowers went back to the business profits. She referenced Bury being quoted in an article a few weeks ago. Bowers asked if these profits were stabilizing in terms of not continuing that upward trajectory or receding back to pre-2020 levels? Bury responded that they are receding back to pre-pandemic levels. Bury added that she has not done an analysis yet on that but would make sure that she includes that in the Q4 report to show where we are compared to pre-pandemic. Bury guessed they are still up a little bit compared to pre-pandemic, but this is just that 2020 anomaly coming off. She could see as we move forward that they will be more similar to what we are seeing here in the third quarter. It is probably more around \$1.82 million, or a little bit more than the \$2 million mark, but she will make sure to address that in the Q4 report.

Chairman Schnetzer asked if Bury knew what the driver of that spike was in 2021. Was that stimulus related? Bury responded that it was multiple factors. When they sent everybody home, operating costs for those facilities that they were maintaining for their employees to work came down. If you do not have people in there, they are not using the resources. The other part of that was there were certain industries that gained quite a bit during the pandemic. This would be those who supply PPE, personal protective equipment, and sanitizing materials, as well as technology. When they sent everybody home to work a lot, we were not prepared for that. Finding the technology to allow those employees to work from home also created spikes on the information technology side. Also, on the flip side of that, some just decided to completely get rid of their brick and mortar. So, this huge overhead cost is gone, which drove up their net profits. This, in turn, drove up the income taxes that were going to be collected.

2. FY 2023 Budget - Questions for Administration

[ORD-0074-2022](#) AN ORDINANCE TO MAKE APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES OF THE CITY OF GAHANNA, OHIO DURING THE FISCAL YEAR ENDING DECEMBER 31, 2023

Chairman Schnetzer said between the last Finance Committee meeting and today, Council submitted questions, he batched them, and then provided them to the administration to come back with a prepared response. There were a few “buzzer beaters” that did not make the list, but he had them here tonight, and they had been forwarded to the administration. Schnetzer said he assumed the administration was prepared to address those. He also noted a couple of items for Council discussion at the end as well.

Question #1, under general government, the proposed budget request includes a planned use of unrestricted, unreserved General Fund balance in fiscal year 2023. The ask is to be prepared to discuss and/or project how the request implemented in 2023, such as staffing additions, contractually mandated labor cost increases, benefits, etc. will flow through to fiscal years 2024 through 2027, particularly in regard to future uses of General Fund balance. Chairman Schnetzer said he believed this item can be referenced on page 38 in the budget book.

Director Bury said she first wanted to go back to the budget presentation and look at what the impact to General Fund balance has been over the years to see where we have been. Before Issue 12, through 2019, we had used General Fund resources for capital since we did not have a dedicated capital resource. Looking at 2017 through 2019 use of those funds, at the end of the day, we still in most cases used less than what we were planning. In addition, 2019 looks a little strange. That was the income tax lawsuit settlement year. In this case, we had planned on returning funds but ended up using them for that settlement. After Issue 12, using the General Fund for what it is intended for (operations), there were a couple things like the pandemic that were playing in, but basically for 2020, we had planned on returning a little over \$1 million. We actually returned \$3.1 million. For 2021, we had planned on using \$1.5 million and actually returned little over \$4 million. That is returning about \$7.1 million over those two years, bringing us back to an excess of where we were at for the end of 2017. Why would this happen? Bury said the appropriations are our plan for the year. It is our best guess based on current circumstances. Council authorizes a cap. These are the plans and initiatives that we have planned for the year. Council authorizes up to this amount for the administration to spend for that. In most years, we spend less, as this chart is reflecting. Sometimes revenue comes in high, but just looking at the expense side, some things just come about that are unforeseen or outside of

our control. Some are inside of our control. This could be if we have employee turnover, for example, or we cannot find a qualified contractor, there are unforeseen delays, whether illness, vendor backlog, or supply chain disruptions. Sometimes, initiatives that we want to take on, once we get into it, it could also be that we realize that maybe there is a better way that is more beneficial, or we get through a process and think that maybe it is only going to take two to three months. As we start to peel back those layers for that process, it could be that actually it is a longer timeframe to get it accomplished. So, it involves looking at what happens between the plan and when we bring it to Council for authorization as to what we are allowed to spend dollars for and up to what limit, and then what occurs during the year that drives these changes. The next two slides are going to address the first question that was read. This was talking about what is the impact on salaries and benefits on the budget. In the first line, you see there is estimated revenue. This is purely revenue; no unreserved fund balances are included here. It is what we are expecting from 2023 to 2027 to occur with revenue alone and what our estimated salaries and benefits number is. From 2023 to 2027, revenue covers the full amount expected, and in addition, leaves about \$9.8 million to \$8.5 million available for contract services and materials and supplies. Thinking about the budget as a whole, it is very difficult to pinpoint what exactly is driving the use of fund balance. For 2023, Bury would argue that it is probably contract services and materials and supplies. We have the inflationary increases that we are seeing within the budget for those two items, as well as some one-time initiatives that we are seeing for contract services. As far as what is actually driving that delta, or use of fund balance for 2023, Bury said it would more than likely point to contract services, materials and supplies.

Chairman Schnetzer asked Bury what the implied revenue growth rate was from 2023 to 2027. Bury clarified if Schnetzer meant the estimated revenue. Schnetzer confirmed. He noted it goes from 29.7 to 30.5. Bury said that is total revenue. It would be mainly driven by income tax. Schnetzer asked what the implied growth rate was from 2023 to 2024. He can see the estimated increase in salaries and benefits, but what is the estimated increase in revenue. Bury said she did not have that calculated right now but could lay that in before the presentation is sent. She thought it would be equivalent to maybe 3 or 4 percent. Schnetzer said he knew that in years past it has been like two to three. He said he did not know if Bury just plugged-in 3 percent and carried it out. Bury said no, this is looking at each revenue source individually. When they do the projection, they look at the income tax provided projection there and then go through each type of revenue and determine what increases or decreases we might be expecting based on what drives those particular revenues. In most cases, she said the largest driver is going to be income tax, but they do look at each of those categories separately and individually to determine what we could expect moving forward. Schnetzer said that according to his calculator, from 2023 to 2024 it is 2.5 percent. This is right in the ballpark of where we have been historically.

Looking at salaries and benefits from a historical perspective of what has

been requested and what has actually been spent, in 2019, Bury noted that we spent \$977,000 less than what was planned, or 94 percent of the budget was used. Moving through to the third quarter of 2023, Bury said she used just 75 percent of the 2023 budget, since this is based on Q3 numbers. She noted that rationally you would expect by the end of the third quarter that you would use about 75 percent. If we project that forward and if we are expecting similar salary savings compared to the budget for 2023, we really will not use fund balance. It is just when we set those budgets at the beginning of the year, it is our best plan. As far as who we are expecting to bring in, when we are expecting to bring them in, there are several reasons why we might come in under budget. We have unexpected employee separations. We have an inability to recruit for a position. We just cannot find the right candidate. On the flip side of that, we may have great recruitment, one that caused us to go back and say, well, if we have this person and we could bring them in and they have this level of skill, do we really need these other individuals? We also have a change in operations. If we are able to find efficiencies along the way, we may decide that maybe we do not need that extra person, or we might change operations to where maybe we do need additional people. As the year progresses, we continue to analyze our plan and determine where it can be tweaked or updated. We also have qualifying events for employees. We are assuming that every employee is going to keep the current level of coverage at the time that Bury prepares the budget. We all know that things happen during the year. Somebody may need to go from family to single or single to family. We may have those new employees that come on that choose a different level of coverage than the person that they are replacing. Those items that happened during planning, and then as we get into the year, are things that may cause some of these salaries savings. Bury clarified that "qualifying events" would be for health insurance. Some of these are in the control of the City; some are not. The combination of all of these things that occur throughout a year have historically resulted in the salary savings that we are seeing here. The thought is that we see that we have enough resources to cover the full amount that we are requesting, leaving that amount for salaries and for materials and supplies and contract services and understanding that during the year we also historically tend to have some of those salary savings.

Chairman Schnetzer thanked Bury for a thorough analysis. He asked if there was anything from Council regarding the five-year outlook.

Vice President Bowers asked if the outlook is taking into consideration potential reclassifications or salary increases. She is assuming there is a natural increase that Council has already approved that would have been factored in, but what about beyond that? Bury said when we move beyond the year we are in, we tend to note that this is our plan. Realistically, this is the plan that we know we are probably going to keep for the next five years. For those items that happen as far as transition during the year or individuals that we might want to reclassify when we prepare the following year's budget and reanalyze staffing, we take that same approach. This is staffing that we are requesting that we are anticipating on maintaining for the next four to five

years. Those are then projected out for the next year. Miranda Vollmer, Director of Administrative Services, said she thinks what Bowers asked maybe has to do with those out year numbers. Do they include additional staffing or a five-year staffing plan? She said, no, they do not.

Question #2, are there any mitigating factors not spelled out in the budget that would reduce the actual use of fund balance compared to the projected planned use outlined in the budget request? In addition, if asked to narrow the gap between 2023 projected General Fund revenues and expenditures, are there any items the administration will propose to defer to limit the use of fund balance? Schnetzer said for reference, this is on page 38 within the budget book. He said he thought Bury has already addressed some of this.

Bury showed that same five-year outlook incorporating everything. She noted that as we had talked about, as we project forward into those years, we are making a number of assumptions that are going to vary from actual results. We are assuming no salary savings related to attrition or insurance savings and that we are going to fund everything 100 percent, even into the out years. We assume that we are going to have continued growth in contract services and materials and supplies based on what we know today. This includes inflationary hikes continuing on for those future years, knowing that they are going to be brought down probably a little bit. It also assumes that everything that we plan to do for a year we are going to complete. A lot of times when we get into the year, we might have to change course due to employee turnover or other circumstances that may come about. The main takeaway from this is we are still in compliance through 2027 with the General Fund balance policy, and we have increased our emergency reserve. As the operational expenses are anticipated to increase, so does the emergency reserve. We have increased it from \$6.7 million to \$7.45 million. This constitutes an added \$750,000 to the emergency reserve. With that, we are still showing through 2027 that we are at least twice what is needed for reserved fund balance. Two months is required by the fund balance policy. Bury said she also wanted to show what a one percent fluctuation in each of those could mean. First, on a positive side, which is probably where we are heading, we tend to bring in more revenue than planned and tend to spend less than planned. She pointed to the scenario where we would receive one percent more and spend one percent less. If you look back to the other slide, you see what that change would mean. It means that we are actually adding back to fund balance for each of the years until we get to year four and five. Even though there would be an assumption that we would potentially use fund balance in a year, such as four and five, we are still well within our General Fund policy having three times more reserved fund balance until we get to year five, which will be five months' worth, but still more than two months required. On the flip side of that, what if something were to occur that for some reason we had more of a negative impact on the budget? In this scenario, it would be one percent less revenue, but one percent more spent. We would use more fund balance in these scenarios, but we are still even through the fifth year, with still more than the two months required by the fund balance policy.

Vice President Bowers asked if Bury could confirm that none of these projections included any additional positions being added to the City (no additional police officers and no additional Parks & Rec staff), even as the regional population grows. Bury said that is correct. Each budget year we would look at that and as we determine for that budget year, we would then project that forward. Until we get into the year and look at our resources and look at what our actual need is, we try to project that forward for five years to determine what our staffing needs may be. But, just looking at what could happen in one year to try to determine what your two, three, four, and five year would be with all the variables that may be there would be difficult. To answer the question, yes this is assuming that we keep 2023 staffing throughout that five-year period. Mayor Jadwin said to reiterate, this assumes we are 100 percent full, 365 days a year, which is not realistic. That will not happen.

Director Bury addressed the second part of the question, which talks about the deferrals. Based on the previous slides, we could see that estimated revenues and resources fully fund salaries and benefits. We make those various assumptions as we discussed when we prepare the budget. We all know that actual results will vary based on the first slide that we showed. We do show that even if we do have a negative impact, we are still well within the fund balance policy. Based on this, we really do not recommend that there are any items to be deferred. We do not want to fall back into old habits. This is where we ended up where we are (deferring, kicking the can). Bury stressed that they recommend that we do not fall back into those old habits and continue to move forward with these initiatives and priorities that we have. We could, however, look at the other side, the revenue. She said she has been ultra conservative on the revenue estimates. We can look and see if there is wiggle room to maybe increase those revenue estimates by a little bit. If it is still the will of Council that we look at items to defer, we have some major priorities that are driving a lot of these costs. Before we could decide, Bury asked what is it that we would reduce? She would need direction from Council on which one of these programs or priorities to not move forward on or defer to the next year. The screen showed the following 2023 priorities: completion of the Capital Improvement Plan (incorporates the Citywide Strategic Plan, Plan for Facilities, Parks Master Plan, Economic Development Plan, Land Use Plan, Plan for utility capital maintenance and improvements), update the Citywide Strategic Plan, Creekside Redevelopment, Evaluation of operational requirements for new facilities, risk and safety program, and DE&I (diversity, equity, and inclusion) programs both internal and external. Bury said she is not looking for a response today, but as Council looks at the slide deck that has been shared, if there is a will of Council that we look at something to defer, they would need direction as to which one of the priorities should be deferred.

Chairman Schnetzer said the implied assumption is the staffing request is being driven by what is showed up on the screen, or perhaps even other items that are not shown on the screen, existing programs, sidewalk program with engineering, etc. Bury said this is correct.

Vice President Bowers said she thinks we are getting late enough in the budget process that administration should get feedback from Council versus just answering questions. She thinks that this is actually starting to get to the meat of the question at this point. The question is how these positions and restructuring are going to drive the deliverables shown on the screen. For Bowers, there is nothing on there that she wants to see deferred. But she wants to know that these additional positions are going to deliver these items. This is the meat of it. Bowers said she had concerns certainly about the restructure, but also sees the positives to it, too. She wants to be fair that she thinks that there is decentralization and maybe better management that can happen through this structure that is being proposed. She has concerns that as the region is going to grow, as the city is going to grow, are we making sure that we are continuing to fund our economic development fully? Are we making sure that we have got resources set aside to make sure that we can add a couple officers or SROs as we need to? This is where she is at with this. She wants to hear from the administration how the new structure delivers what is on the screen.

Director Vollmer said one of the things that she thinks is a little difficult to understand is the administrative side of the city. She noted that Bowers just asked about adding more, like making sure economic development is fully staffed, which the administration is working on, and having additional officers. Vollmer said she heard Bowers mention parks and if you have this much parkland, you should have this many people to maintain your park system. Vollmer thinks what is difficult to understand sometimes is what they do on the administrative side of the City that supports those external operations because they are not out mowing grass, not out helping with parking issues, and not doing those kind of things. This budget cycle really focuses on adding to the administrative staff of the City to ensure that those officers can go out and do their job, so the Parks people can do their job and so on. Some of the positions are a little more abstract because you do not know what, for example, an asset administrator will do on a daily basis. Vollmer said when you are looking at the risk and safety program, one of the requests is to add a risk and safety administrator to the City. That person will ensure that the safety program is evaluated and reviewed and implemented properly. What that will do is ensure successful operational programs, such as this street program, such as when Parks takes out a chainsaw to make sure that they are wearing all the proper PPE that they need. It is not just making sure that they do it, it is then going and doing those spot checks to ensure that our risk compliance remains low so that the City does not find itself in some financial situation because a horrific accident occurs. That is one example of something that specific position will be tasked with doing. Vollmer noted that also on the administrative side, Bury has been doing this budget process putting in a ridiculous number of hours this time of the year. For the past few years, we have added police officers every single year. Vollmer has been here for the last four years. In that time, we have added to the operational side, and besides adding a couple HR people, we have not added any IT staff or any finance staff. Vollmer said what you see is people working extra hours doing things because they are it. We need to have officers on the street

because that is a public safety concern. We are in a spot where our operations are stable and working on some of that deferred maintenance. It is time to work on the deferred maintenance on the administrative side. Vollmer added that a finance analyst was added to the budget to help with the procurement policy. We just rolled out and Council passed a big procurement policy. Well, it is great to have a policy, but if there is no one to enforce that policy and ensure it is being followed, it is just another policy. She added it is important to add to the internal parts. She thinks Chief Spence and Kevin Schultz, IT Manager, can discuss the CAD administrator position. A new CAD system will be rolled out next year for the Police Department and others. An IT person who knows how to help with that implementation to ensure it goes smoothly is needed. The last she had heard the Chief still maintained some access and user access to some of the systems. This certainly is not one of the best uses of the Chief's time.

Mr. Schultz explained that when a new police car or a new police officer comes on board, there are entries made into IMC, which is the CAD package that Vollmer was just talking about. The Chief would oftentimes say, it is just easier for him to do it than to have someone else. Schultz agreed that the Chief of Police is not appropriate for this, but that is the way we are structured to some degree. "Structured" is a very loose term in this case. To Bowers' question, Schultz said for him what a lot of this breaks down to is the word "quality." He said he has only been sitting in this Chamber for a couple of years, but the quality of work that this group and the administration and [Council] all produce on behalf of the City is top notch. He said to look back at the different programs and different conversations that we have had, things that we have started. With the conversation last week on the sidewalk program, that just does not pop up and happen over a period of a short couple of months. Schultz referred to Chairman Schnetzer's previous comment that this program or idea started back in 2017. It takes a group of people with determination to make sure that these things are going to progress forward in a manner that is suitable for a city of our size and meet the expectations of not just Council and the Mayor, but also the 36,000 people that we serve on a daily basis. Schultz reiterated that it really breaks down to quality. When you look at the organizational structure that the administration put in front of Council, in order to do this, Mr. Wybensing said a couple weeks ago we looked at those top-tiered municipalities not just in the region but across the country. You see a structure very similar to what it is that we put in front of you. Schultz stated that in order to take us from what he would call a "Sleepy Hollow" village type feel to a city to a city that wants to progress and meet the challenges that Intel is going to put before this community, this goes to the parts and pieces Vollmer was talking about. We need to look at CAD administrators or asset administrators so that we can get a handle on what a system like asset management should drive in terms of the operational awareness that the City has available to it. He said that he could not tell Council a lot of things about the City's infrastructure until that [asset] program started happening. When the time is right, Schultz said this would be unveiled before Council. It is currently in its infancy stage. This is the type of quality that Schultz thinks the reorganization puts in front of Council.

Chief Spence said as we have looked and worked through the budget process and the City structure and some of the programs that we are trying to unveil, on the public safety side, this is focusing more on those operational functions of the city. However, he thinks there has been a lot of parallels of what they are doing internally with the PD. As the person in the room that has been here the longest, he has seen a lot of change and structural reorganization. With the Police Department specifically, Chief said we have focused on the iceberg's "above the water line." We focused on those things such as service delivery and calls for service, the changing dynamic of crime and traffic, congestion, and all those things. The City has done this as well, as Schnetzer has pointed out many times. When we are talking about the facilities, 20 years of deferred maintenance of everything from sewers to roads, that stands true for the operations of the City. With this experience of growing up in the organization, Chief said the lack of funds, all the environmental concerns, and everything happening around us, we have been solely focused above the water line. He explained that the iceberg that keeps it stable in the water is all that growth below the water line. This is the organizational change that the Department is doing, which includes everything from working on national accreditation, which is a mammoth undertaking. It also touches many aspects of the City's operations well beyond that of policing. It touches technology, human resources, finance, even things like engineering, and our school system. In the Chief's mind, the reorganization is designed to focus solely below the water line, developing those synergies that Director Vollmer talked about. Chief is thinking about all of the things that must come together and work in unison just to pull off this building project. We have so many things to consider. This includes things like energy efficiencies, signage and how we create a civic center and focus for this 825 project. It is daunting. With the work being done at the Police Department and through the accreditation, this has caused Chief to think about what they need to do in this organizational structure for the entire City.

Mayor Jadwin said we all have the same goal. We are all here to provide high-quality services and high-quality of life to our residents and business community in a fiscally responsible manner. To do that, we need to have staff in place, staff that is competitively paid, a staff that we can retain, and a staff that has realistic workloads. There also needs to be a structure in place that ensures that they can be successful to deliver the high-quality services that we seek to do. With Issue 12 and with the growth in our region due to Intel and everything that is coming with it, our projects are expanding both in size and in significance. Jadwin said 10 years ago we were lucky to fill potholes for a year. Now, we are doing major street rebuilds and resurfacing. We have a sidewalk program that the City is going to invest \$1.5 million every year for the next several years so that we can address issues with that. We have trails that need to be built. We have pools that need to be addressed. We have sewers that need to be addressed. As Director Vollmer, Mr. Schultz, and Chief Spence have said, for years, we have deferred maintaining assets that we have in the community. Jadwin said that our staff has been one of them. Right now, the organizational structure is 12 different departments. Directors

report directly to the Mayor. She shared that if you had a mayor or city manager or city administrator, you are going to need people underneath that person to help provide a heightened level of oversight and management for all the projects that are happening within this city. From a macro-level, Jadwin mentioned just a few weeks ago a detailed explanation as to what the organizational structure would be in terms of the senior director of administrative services, the senior director of operational services, and the deputy director. The two senior directors would be at a macro-level. The citywide strategic plan, the risk and safety program, the Diversity, Equity & Inclusion program, developing that both internally for our recruiting, hiring, and attraction efforts, as well as our external programs are going to fall on the senior director of administrative services. The senior director of operational services is going to be responsible for the completion of the CIP and the evaluation of operational requirements to new facilities. Jadwin said that right now, she has an IT manager sitting in front of Council who is responsible for overseeing all of the IT needs in this City, including our Police Department and our communications center, as well as all of Council's laptops and the City's laptops and everything that our staff needs to run. In the meantime, he is also the project manager on the largest capital project that we have in this city and overseeing the implementation of our very first asset management system, which is going to allow us to input our street trees so that we have an inventory to start with when we go to develop the Street Tree Program. Jadwin said this is also going to allow the City to create an inventory of sewers and maintenance and track work orders so that we can identify when there is a recurring problem. Schultz has been working on that for a year. The plan was to have it launched in August or September this year. It is a soft launch. She said it is getting there. The external piece of that, which will allow residents to go through that system to input work orders is now pushed back to March or April because Schultz has not had time to work on it. Jadwin said she is not seeking to create an extra position. She is seeking to put Schultz in a position in which he is already performing and at a level at which he should be compensated for the work that he is doing here. Those two senior directors will be at a macro-level. As to the micro-levels, the deputy director will be responsible more for the details supporting all of departments and supporting the two senior directors. She shared that this responsibility includes the DE&I program and incorporating DE&I scoring into RFP bidding contract procedures, which needs oversight. She said Director Komlanc cannot do that because he is running the Engineering Department and picking the vendors and making sure the construction work gets done. Somebody needs to make sure that those scorings are happening. The deputy director will standardize our RFP process, which is something that we do not have right now. The deputy director will be responsible for looking for outside grant funding opportunities amongst all of the departments. The position will identify who needs what, what projects we have coming up, and what outside funding sources we can use. Even if we use a consultant, Jadwin said we still need somebody internally to gather that information amongst the different departments and work with the consultant to fill out the applications, which can be extensive in terms of time required. Jadwin added that Director Vollmer mentioned the procurement policy. Someone must administer that.

Finally, someone is needed to provide the oversight amongst all the departments and the intra-departmental workflow to make sure that departments are not duplicating efforts and that we are aligning not only job functions but processes to make sure that the processes are aligning. This would be a focus on waste reduction, inventory control, and all of those things. There is the macro management and then the micro detail support provided by the deputy director, all of which supports the programs and the services that we are being asked to provide to the residents. Jadwin asked if this helped answer the question.

Vice President Bowers said as she had mentioned, she sees the value in it. Bowers thinks that it is important that as we are looking at this five-year plan, looking at drawing down some of the unreserved fund balance, that we are also able to articulate exactly what [Jadwin and others] have done tonight on why and how these additional positions are going to address the below the water line, deferred institutional issues that that we have. She appreciates the articulation on that tonight. She appreciates the way that we are addressing what needs to happen in order to continue to deliver both above the water line and below the water line deliverables to the city.

President Renner commended everybody for a nice summation. He said he thinks everyone is preaching to the choir. He thinks the struggle is that Council sees it but is struggling to pinpoint and tie a value to it. The administration has done a masterful job helping and at least introducing it. Running a department as Renner does, one of the things that he is challenged with is how much work can one get out of one FTE. If he was building boxes, there is a metric of today it is 10 boxes. Can we increase that a little bit to 12 boxes a day? Renner said, however, when you are dealing with services in government, that is a little bit more esoteric or not something that is exactly quantifiable. From the engineering world, we can expect engineers from the private sector to at least handle six projects at any given time. Renner said he did not know if that is still the standard. Director Komlanc said 16. Renner said that goes to his point because that is actually what they are paid in the private sector. When you translate over into the public sector, we are really burdened with a lot more to do. The human mind is given a lot more. Renner thinks Schultz was correct in that we went from a Sleepy Hollow to something more where we are rising up to the challenges in the 21st Century on the eastern side of Franklin County. Given all the other things that we know that are coming and understanding how we adapt as a City to rise to those challenges, the departmental structure, the number of people and all that stuff is being challenged. Renner said he thinks that the administration is raising the professionalism inside City Hall to meet those challenges. He clarified that he had not heard anybody from Council discounting that. He reiterated he thinks Council is struggling with trying to understand that value because Council is trained with the public to understand dollars and days. He thinks the administration is giving Council a little bit more. He explained that in years past, we had the SOM. It was a

model for Council to understand what the day-to-day business of the City is. He thought this helped Council. This was in the days when we were struggling with revenue. We did not have the means to do our own roads. Then, Issue 12 happened. If we can get to some space, narrow it down a little bit to push to that value proposition, Renner thinks we will get closer to something. However, from what Renner hears from his colleagues, he thinks everyone is preaching to the choir.

Mayor Jadwin asked if Renner could help provide some direction as to what the additional information would be that would be helpful. Renner said to help Council understand. He needs help in drawing a box around what it is to run the City. What he hears is, well, the box is bigger. Yes, this box is bigger, so let Council know what that is in order to provide for the City. Vollmer's examples of why we need additional staff to be program managers has been helpful. He said what is needed is something that translates at a very high-level what that value is that is inside and help Council understand it in the future years. He thinks the administration has given a little bit of that. What it is that runs the city? A city has a set of services. It has police. Council knows what the cost is for that. In all the other departments, such as Parks & Recreation, the output of that department is programming. Renner said he is not talking about that because what he is hearing is that the administration is building a better infrastructure inside to handle the multitude of things. There used to be an individual that managed and balanced a multitude of things. This is what was always holding us back. We would say, well, why don't we just have people create a sidewalk program? And then we understood overtime what that meant, and it was pulling resources away from a multitude of other projects. Renner said he is rehearsing back the story that the administration has told Council. If we can turn around and point back to, in order to properly manage the city, and the numbers are probably all there, what is that? What is it that you are looking at and beyond? Is there a growth rate that we can actually expect on that? Is it a two percent? Renner acknowledged the administration is working on building a better City Hall, a better set of people. What is the value?

Chairman Schnetzer, seeking clarification to perhaps the Mayor's conversation, said as an analog in his day-to-day work, if he has an ask for something, typically there is some contractual component. Then, there is a staffing component to it as well. For example, "I need this data service," comes with a nice concise number associated with it. And then, "Hey, we're building out a platform. We need two software developers or two FTEs." The output of those combined dollars is this thing. Schnetzer said what is getting a little murky from Council's vantage point is there is not just one thing being bolted on to the SOM, or what we used to refer to as a Sustainable Operating Model, versus what it costs to keep the lights on. We are making up for 20 years' worth of deferred maintenance. And then as has been mentioned, there is the human component to it as well. We are doing some new things that are very worthwhile and will make the community better. It might not be quite as clean as a single bolt on an item because we have many bolts on items listed up [on the screen]. Schnetzer said he did not know if that analog

is what Renner is driving at. Is he trying to isolate what is the run rate or just the way things are now and then what the cost is of all of that stuff [on the screen]? Is that an accurate way to summarize what Renner is driving at? Renner said he is driving at the people cost. Schnetzer said he did not know if that analog gives the administration any direction. Director Vollmer said she summarized it as follows: "Why the positions are needed to support the operations, and what outputs of the new employees are expected?" Is that what Council is looking for? Bowers said she did not think that is what Renner is driving at.

Director Bury provided some background on what the "SOM" was and what was going on in that time period. The reason why this SOM came about was that we did not have a capital source of funding. The only source of funding we had was the General Fund. We had to create an ability to move some of those General Fund dollars over to the Capital Improvement Fund. That was the main purpose in creation of the SOM. It was to say here is our operations. Based on these operational needs, here is how much we have available for capital and how we are going to use these capital dollars. Now that we have a dedicated source of funding, the General Fund is our main operating fund. What is the cost of operations? Look at those General Fund dollars. There is no more capital running through there. That is basically what that operational SOM is. We also no longer have a need to push those unreserved General Fund dollars over to the Capital Improvement Fund. We have a dedicated resource now. The sole purpose of the General Fund is on operating the city. Bury said what she has said is giving some context between what this was before and why it was in place and why it is no longer necessary. The other part of that is during that period of time, we were building on the strategic plan where we were trying to pull it into individual departments and report that story back. For each dollar that you budget for me, here is what you are getting. Bury thinks what Renner is referring back to is the performance measures and talking about how we were tying in the overall strategic plan of the city and how that related to individual orders budgeted for departments. That is really what is being searched for, those performance indicators that we previously reported that were not really part of the SOM but were really part of the citywide plan. Departments were then creating those plans to show here is what you give me, here is what you get in return.

President Renner said to answer Bury's question, yes, that is what he is searching for. He did not know necessarily that we had the right performance measures, but yes, that is exactly what he is driving at. What is our ROI? Renner said that in listening to Bury, she hit the nail on the head that the General Fund has now actually become purely an operational thing. We have increased. We are increasing the labor to actually meet the needs of our operations. He thought maybe it is more of a look backwards than it is anything else to justify where we are today. But with the performance measures, yes. Bury said they probably do not have time for getting those for this budget. It is part of their goals. Bury believes as we continue working through the citywide strategic plan refresh the goal is to figure out how to report back to Council how the administration is using those resources and

meeting these goals. Bury agreed that what we were reporting out for performance measures was capturing what was needed for all departments. As we work through that process and work with Council to figure out what is it that Council would like to see the administration report back for internal facing departments, it is very difficult. As a supporter of all the other individual departments, Bury said it is very hard for her to show what the performance measure is, how each dollar that you budget for her is used to support each of the individual departments from the finance side. There would be a lot of work involved with that, but they plan on bringing those back to the forefront and determining what those measures are and how it correlates to the budget dollars that the administration is requesting.

Councilmember Weaver thanked staff and everyone for being here and taking the time to not only answer Council's questions that are submitted through the chair, but also the impromptu follow-up questions from the dais. This is a beast. Council is doing its best to parse through it and is grateful for the time and effort that staff is undertaking to help through the process. Weaver said he wants staff to have the resources that they need to serve the City, to serve our residents, to serve the businesses in a meaningful and quality way, as Mr. Schultz hinted at earlier. There are things that we might possibly want to see that were not included in the budget. Weaver said he does have concerns with the level of staffing in economic development. Given these priorities, and the focus on our region with Intel, we are the fastest growing region in the state. There is need for business attraction and retention. Weaver said at least in the recent past, Director Strum is running a pretty lean shop in economic development. He acknowledged the efforts to find new hires for the roles in that department. However, he was not sure about taking the manager down to an administrator. Should there be another role in that office? He is having trouble seeing the job getting done without killing staff, speaking of the work that one full-time employee can do. If the job is for 10 boxes, as Renner said, are we asking them to do 20 boxes?

Mayor Jadwin said she appreciated Weaver's comments and not wanting to run our staff into the ground. The staffing projections that they have and the staffing request in front of Council right now are based on detailed lengthy discussions with the individual directors and how they see their workloads within their departments. It is based on what they, as the professionals and experts in their roles, believe that they need to fulfill the duties that they have. Regarding the Department of Economic Development, Director Strum and Director Vollmer have had extensive conversations. Jadwin has also had extensive conversations with Director Strum around what he best needs to fit his skill set and support him for what he needs to focus on and what he can pass to other people. What is being asked for right now, even with reclassified positions, are based on candidate pools. How can we utilize existing staff to perhaps put some administrative functions in different pockets to then focus on what we need to best meet the community needs that we have for economic development, as well as support the director in that position? What is being requested is specifically what Director Strum has identified as what he needs. It is to support his efforts based on his

experience that he has had in his career thus far.

Director Vollmer said she thinks with economic development, and other departments as well, after Director Strum hires two new people, onboards those individuals, which will in reality be all of next year, if somewhere down the line Director Strum identifies a need that he needs XYZ assistance with, the City will first look to internal staff to see if there is anybody else who either has those skills or has time to do that. If not, Vollmer said as she mentioned before, they could come back to this body and request a supplemental for another position. She added they have talked a lot about engineering projects. Director Komlanc and Vollmer just had a conversation today on this. She said Council could very much see any director coming back before the body and asking for additional staff if it is needed. However, currently, based on the projects we have in the pipeline, the staffing that the administration is requesting for next year is what they are recommending based on those conversations with directors. She said that she and Mr. Wybensinger started in mid-June having those conversations internally to vet out what is needed, what current staff is doing, how we can cross functionally use people, what people's skill sets are to move them around to be the most efficient, and to get the best quality out of employees for the residents.

Question #3, special revenue funds have accumulated fund balances since they were first established following the passage of Issue 12. The question is, are there any possibilities for the reassignment of expenses in the upcoming fiscal year two special revenue funds that could draw on these fund balances and preserve General Fund balance? For reference, Schnetzer noted this is on pages 39 and 40.

Director Bury said what the administration is trying to do is avoid continually moving things in and out of the General Fund. Special funds have a huge impact on the comparability from year-to-year. This movement also creates an inability for the administration to look at new programs, new activities that maybe those special funds can take on. For this particular year, they are planning on using \$625,000 of special revenue fund balances. That still leaves a pretty healthy fund balance in all of them. What else can we do into the future as we hit each budget cycle? This is not merely just pushing existing programs into these funds but understanding how we can make a value-added impact with these dollars for 2023. There are some new items that are included in there, such as the mental health clinician and with the recreation supervisor. They have some additional contract services coming from engineering. The administration has already identified some new items for 2023. Based on this, they do not believe that there should be any items moved from the General Fund into those special funds looking into the future. Instead, they are looking at those funds to bring some new programs and potentially some new activities on board. They are drawing down on the fund balance for 2023.

Councilmember McGregor said when we proposed Issue 12, it was supposed to last for 20 years. Even though this may be high now, as we go

through time, they are going to draw more from that. We are going to need more. While it may be high now, as time goes on it is not going to always be high. To try to spend all of it now seemed to be unwise when it was said that it was going to last 20 years. She thinks we should work towards that goal for what was said when we passed the income tax increase.

Chairman Schnetzer said a follow-up question that was received on this is if the administration would be prepared to discuss performance measures or provide a performance measure overview for the Public Service Department. Bury responded that was hard for the administration to address since we do not have a director of public service right now. Bury said what she could do is give some history on those performance measures and what their purpose was. The purpose was to say, "For every dollar that you budget for me, here are the activities that I am going to accomplish." The performance measures were used as a gauge. Have we met our goals? Did we reach our results? Bury said her assumption is that those are looked at by each director that is reporting them from year-to-year. Are goals being met? Are there enough resources to meet those performance measures? If the goal is not being met, is it because additional resources are needed or is it because we need to look at how we are programming things? This is Bury's assumption when that budget is put together. Are they meeting those goals within those performance measures? If they were not, do they need additional resources? If they are meeting their goals, then it is status quo until next year because they have the resources they need and they are maintaining what they need to maintain.

Councilmember Weaver said that in the future, he thinks it might be helpful to discuss the drop off in a lot of the departments in terms of performance measures since 2020. It could have been that it was the pandemic and everyone trying to figure out how to navigate that. Weaver thinks it would be helpful at some point to go through those measures and see the progressions in those numbers and what they actually mean in terms of the ROI that Mr. Renner was getting at earlier.

3. Council Office Budget Discussion

Chairman Schnetzer said a discussion item was proposed on swapping the subscription to the National League of Cities (NLC) to a subscription for *Columbus Business First*.

Vice President Bowers said the NLC is akin to the Ohio Municipal League (OML), just at the national level. She had proposed joining the NLC previously. She now proposes that Council terminate the membership for 2022-2023. She said *Columbus Business First* subscriptions for councilmembers would be more useful. Bowers believes that according to numbers provided by the Clerk, this would be a significant cost savings to the office, possibly a couple thousand dollars.

Clerk VanMeter said this is a timely discussion, as Council Office just

received an invoice for next year's NLC membership. Because of how their membership cycles roll and their billing, VanMeter said we were invoiced \$3,613 for next year's membership, which is an amount already budgeted in this fiscal year. If the desire is to not move forward even next year into renewing membership, he would not go forward with paying this cycle's membership. That said, Council Office looked into *Columbus Business First* membership offerings. They have a tiered structure called "Office Pass." For just Council, it would be about \$125 per seat. The consideration is, is it worth spending \$3,600 for something that might be nice for the City to have published as belonging to the National League of Cities? Are we getting enough bang for our buck in terms of the services versus the information and utility of *Columbus Business First*?

Chairman Schnetzer asked what the basis or justification was driving the National League of Cities subscription. What was the goal there? He said it sounds like it is not being met, whatever it was. Bowers said she thinks the idea was that it would have information and resources that would be communicated out to members like how OML both advocates at the at the state level and NLC advocates at the national level for better policies that benefit municipalities. Bowers said she did not believe the City was using NLC. If people think that they may continue to use NLC or its resources, then certainly it is not a huge budget item. However, Bowers is not using them.

Councilmember McGregor said Council used to go to the NLC conventions. Not everybody went every year, but a couple of people would go. She went a couple of times. It was fun to go but people did not learn anything because everything was geared towards larger cities with 75,000 to 100,000 people. They had programs like bedbug eradication. That is not something Gahanna deals with. She thought the NLC programs they had were not applicable at all to things that were going on in Gahanna or a city our size.

Chairman Schnetzer asked if NLC and OML were redundant. Bowers said, no, it is not necessarily redundancy. It is just a matter of Council uses the resources offered by OML, and they push out information that is relevant for Council to have on its radar. NLC is really more at the federal level and what policies are impacting municipalities. Bowers is not seeing that information communicated out to Council in a similar way that OML communicates the information. Schnetzer said Bowers is right that Council gets the call to action and emails from OML, and he has followed up on some of those. Not all of these were pertaining necessarily to the Statehouse. Some of them were at the federal level. He has signed on to letters and made phone calls to senators and congressmen to share the City's perspective. He is with Bowers in that OML has value. He cannot recall any call to action from the NLC that has spurred him to do anything. He has no issue with not renewing it for 2023. What is the value proposition behind *Columbus Business First*? Bowers said there are articles that Gahanna has been featured in through *Columbus Business First*. She is finding that it is one of the local pieces of journalism that is reporting on development and regional development issues in a way that the *Dispatch* does not. Bowers thinks it is important that

councilmembers stay informed as to what is going on regionally across Central Ohio. Most of the articles are behind a paywall. She has not been able to access a lot of them. Schnetzer said that recently that has been the extent of his experiences. What else do they have behind the paywall?

President Renner said he has paid for his own personal subscription to *Columbus Business First* for many years. The value is that it gives you a the lay of the land. He thinks Bowers succinctly stated the level of journalism that it provides. It is business specific. Gahanna is not the only city or municipality covered, but it does give you a larger view of Central Ohio. If you put in filters or something like that, it can help prioritize the content. Something that is somewhat unique to *Columbus Business First* is it provides rankings of area businesses. These are largely not Gahanna. It is more of where Cardinal Health fits in the grand scheme of things, where AEP fits in the grand scheme of things, or maybe the top 50 engineering firms in Central Ohio. Once you have a subscription, you do have access to other things online. There are sometimes interviews that are interesting.

Chairman Schnetzer asked if anybody else in the City had access to *Columbus Business First*? Mayor Jadwin said there is a subscription that runs through the Mayor's Office. She thought Director Strum could have a separate subscription as well. You have to pay for each person who accesses it in order to get the full accessibility. It is a higher rate. The challenge is if you want to share an article online so that everybody can read it, you have to pay every time you do that. Schnetzer said he is personally not opposed to giving it a try. He is not chomping at the bit [for a subscription]. If others see value in it and it is already in the budget, he is not necessarily opposed to others pursuing that. Bowers said nothing actually has to change in the budget. She proposed that for those who would like to subscribe to let the Clerk know, just like Council does with conferences.

Chairman Schnetzer noted that Finance has one more formally scheduled meeting for the year. The anticipated date to pass the budget is December 19. He asked if there were any lingering items left or if Council is comfortable with the budget. Councilmember McGregor said we could always schedule a Committee, and if there are no questions submitted, then there would be no Committee. Director Vollmer said she would have the 2023 salary and benefits ordinances as well for Committee of the Whole next week. These would incorporate staffing requests in the budget. Schnetzer said to be clear, there is no follow-up being asked from Council with regard to the budget as things stand right now. He will keep his e-mail open in case something pops in. President Renner said there is no immediate follow-up on the budget per se, but what he heard was a commitment to developing some extra tools longer term, not within 2022. He has great confidence that this is the budget going forward. There might be little things here and there asking a question for clarification, but Renner does not see any reason not to proceed. Schnetzer, again, said to be abundantly clear, there is no formally scheduled Finance meeting then as things stand right now. If he receives additional questions, Schnetzer will route those to the administration and schedule a Finance

Committee for next week. Otherwise, the budget is scheduled for a vote on December 19.

C. ADJOURNMENT:

With no further business before the Finance Committee, the Chair adjourned the meeting at 10:02p.m.

Jeremy A. VanMeter
Clerk of Council

*APPROVED by the Finance Committee, this
day of 2022.*

Michael Schnetzer