



City of Gahanna

Meeting Minutes

Finance Committee

200 South Hamilton Road
Gahanna, Ohio 43230

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

Kimberly Banning, CMC, Clerk of Council

Monday, May 23, 2016

Council Committee Rooms

Immediately Following Committee of the Whole

CALL TO ORDER

Chair Schnetzer called the meeting to order at 8:31 p.m.

Present 7 - Stephen A. Renner, Brian D. Larick, Brian Metzbower, Karen J. Angelou, Nancy R. McGregor, Michael Schnetzer, and Jamie Leeseberg

DISCUSSION ITEM:

1. Age of Property, Plant & Equipment

Schnetzer said this is continuing discussion on credit analysis and the lifecycle of streets; thanked Rob for the detail at the last meeting; asked why a credit analyst might care about something like this; infrastructure is non-optional; looking at how old our capital assets are; asked Bury to provide information; we are depreciating our assets; mathematical equation to get us these numbers; Bury said enterprise wise we are charging for services; this is strictly governmental funds; anything spent for the various assets is what is shown here; is basically your streets and governmental buildings; Schnetzer said put the table provided into a visual component; we can see up to 2013 we are moving; maybe not in a market fashion; other than the accounting change we are confident it will be moving to upper right; we have to replace our equipment; Schnetzer asked Bury why we see a large drop; Bury said movement of streets to a modified approach; accounting standards allow you to take an approach where you no longer have to depreciate; basically saying if you are spending the appropriate money, they are really not depreciating; in 2014 we stopped depreciating roads; moved them to their own category; the total moves the opposite direction; the age of streets is showing consistent with Priestas' presentation at the last meeting; Larick said

this is a review of financial statements; Bury confirmed; Schnetzer said the average median year of a house built in Gahanna is past due; have prepared a look at national medians as well as Ohio cities; can see on a national basis things are moving; we are slightly over the Ohio median shown in red; the trend we have is that of an aging asset base; the City does not have a dedicated funding source; this is a growing liability; have concerns as a resident and Council member as to what we are going to do; Larick thanked Schnetzer for the work.

Avg Age of Assets Document

ADJOURNMENT

8:42 p.m.

Kayla Holbrook, Reporting.