

4/4/2019 | 8:15 AM

The meeting of the Citizen Financial Review Task Force was called to order at 8:15 a.m. in the Lower Level Meeting Room, located at 3600 Tremont Road by Chairperson Ann Gabriel.

MEMBERS PRESENT: Chairperson Ann Gabriel, Jamie Crane, Colin Gawel, Ukeme Awakessien Jeter, Tim Keen, Matthew J. Kirby, Matthew Rule, Kaz Unalan

MEMBERS ABSENT: Greg Guy

STAFF PRESENT: Acting City Manager Dan Ralley, Communications Director Emma Speight, Finance Director Brent Lewis, Assistant Finance Director Jon Lindow, City Attorney Jeanine Hummer, and City Clerk Ashley Ellrod

1. Welcome, Charge to the Task Force

President of Council Kip Greenhill welcomed the Task Force Members and thanked them for agreeing to serve. He related City Council has a high level of trust in the City's Administration. He explained it is a sign of a healthy organization for the public to review the City's operations, and it helps to build trust in the community. President Greenhill reviewed the charge of the Task Force:

1. Review the report of the 2014 Task Force
2. Determine the extent to which recommendations have been implemented; evaluate whether desired outcomes were achieved for each implemented recommendation, or if not, determine if each recommendation is still valid at this time
3. Undertake a high-level review of the City's current financial status and overall outlook
4. Explore further privatization and/or collaboration opportunities
5. Undertake a high level assessment of existing service levels to verify alignment with community needs and/or expectations
6. Assess the status of capital investments made to date and the outlook/plans for the next 10-year Capital Improvement Program
7. Examine and recommend specific program areas



- where a fuller review may be necessary
8. Report findings and make recommendations for City Council to consider.

2. Introductions

Chair Gabriel welcomed all the Task Force Members. The Task Force Members and City Staff introduced themselves to the group.

Former Chair of the 2014 Citizen Financial Review Task Force Rich Simpson came forward. Mr. Simpson advised the 2014 Task Force wanted to gather as much information as possible before coming to any conclusions. He stated they thought it was very important to have comparable information to comparable cities. He related they spent a lot of time hearing from the Directors in the City, and having the opportunity to hear from them was really useful to the group. Mr. Simpson's recommendation to the Task Force was to be as open and transparent as possible.

3. Summary of Sunshine Laws/Open Meetings

The City Attorney provided the Task Force a summary of Sunshine Laws/Open Meetings (attached hereto and incorporated herein by reference as Exhibit A).

The City Attorney reviewed the Sunshine Laws and Open Meeting Laws. She advised this Commission is a public body and is subject to the Open Meeting Laws. In addition to the public notice requirements, Commission members must have all discussions in an open meeting.

The City Attorney further advised this requirement also applies to electronic discussions. Members should not engage in electronic discussions on a public topic. She recommended members contact the Chairperson with any questions.

She stated as members begin to create public records regarding a topic, those records are subject to a public records request. If there is a request, the City needs to make sure it can fulfill that request.

The City Attorney advised Board Members are not permitted to engage in discussions regarding City business with a majority of the Board.

Mr. Keen conveyed he is an employee of the Auditor of State, he stated he is not an auditor, he is an administrator. The policies of the office of the Auditor of State requires him to file an independence form, to indicate where he may not be independent. He advised his independence form lists independence issues with the City of Upper Arlington in part because of his relationship with Council Member Jim Lynch who appointed him, and because of his participation on this Task Force. He stated he will not have any involvement with any audit of the City of Upper Arlington, nor if there was a performance audit, should the City request one. One of his duties at the office of the State Auditor is Manager of the performance audit section.



In response to Mr. Gawel, the Community Affairs Director explained they currently have a page on the City's website dedicated to the Citizen Financial Review Task Force.

4. Historical Perspective, Dan Ralley, Acting City Manager

The Acting City Manager related when Upper Arlington was planned, the planners did not include a lot of office and about 95% of UA is residential, not commercial or office. AOL comprised about 38% of UA's tax base and it was a huge loss when they moved to Hilliard. He remarked what he appreciates about coming into UA is the concerted effort on the part of multiple Councils and administrations to maximize the available commercial lands. Projects like Kingsdale, OrthoOne, CAPS, NCR, and OSU Medical have been completed with the intention to help solidify the City's income tax base. He advised as they start reviewing the finances, they will see the City is in a much better financial position.

In response to Ms. Jeter, the Acting City Manager advised the Master Plan recommends they focus on employers that are more resistant to recessions, so they looked at medical providers. It positions the City well, because people still need medical treatments.

5. 2014 Task Force Recommendations/Implementation

The Finance Director reviewed the Citizen Financial Review Task Force Recommendations Update (attached hereto and incorporated herein by reference as Exhibit B).

In response to Ms. Jeter, the Finance Director advised there are 227 full-time employees.

6. Task Force Workbook Contents

The Community Affairs Director reviewed the contents of the Task Force Workbook.

The Community Affairs Director said if anything is missing to let Chair Gabriel know, and Staff will provide it.

7. Next Steps/Scheduling

Chair Gabriel advised she is the point person for the Task Force, and the Finance Director is the point person for the City. She said if anyone has questions they can send them to her. She will send any questions to the Finance Director, and then get the information back out to everyone.

Chair Gabriel noted they will be primarily dealing with the 2017 Fiscal Year because the 2018 audit and reports will not be available until after the Task Force reports back to Council. She conveyed the report is scheduled to go to City Council mid-June. She would like to propose having a meeting every other week from 8:15-9:45 a.m.



She asked everyone to keep this time frame open, on a weekly basis if needed, but to plan for every other week.

She advised City Staff has a retreat next week, so the next Citizen Financial Review Task Force Meeting will be April 18th at 8:15 a.m. in the Lower Level Meeting Room.

Chair Gabriel asked the Task Force to do some brainstorming, and think about any additional information they would like before the next meeting.

Ms. Crane questioned if they could call in for the meetings, the Acting City Manager advised they would follow up on her question.

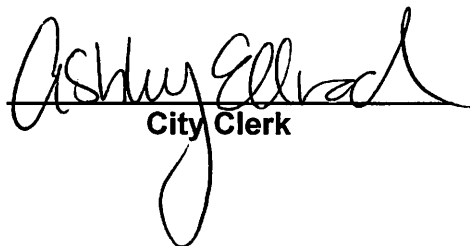
The Finance Director told the Task Force to let them know if there are other Directors in the City they would like to hear from.

Mr. Becker advised in the 1980's the state agreed to a 1/8th rollback on property tax millage in order to get the income tax passed. When levies are renewed, the rollback is grandfathered in, but any new millage does not have this 1/8th rollback. He asked the committee, when considering property tax, to think about the 1/8th issue.

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There being no further business before the Citizen Financial Review Task Force, the meeting was adjourned at 9:40 a.m.


Chairperson

ATTEST: 
City Clerk



I. Public Records and Open Meetings

The Citizen Financial Review Task Force is a public body and subject to Open Meetings laws.

a. Public Records and Open Meetings

i. A frequent problem for new Board members is adjusting to the requirements of the Public Records and Open Meetings Laws.

ii. Board Members are required to keep all public records in accordance with the City's retention schedule.

1. We recommend that Board Members segregate emails or texts for all City business to enable staff to timely respond to public record requests

2. If contacted on your private email, you can forward the email or your response to the City Clerk.

3. We have a legal obligation to respond and provide these correspondences.

iii. Certain correspondences are not considered public records and you may have a duty to hold the correspondence as confidential.

iv. You may see the following often added to a group correspondence:
"Do not reply all"

v. Board Members are not permitted to engage in discussions regarding city business with a majority of the Board.

1. This may include email discussions where more than three council members are copied.

2. Board Members should not attempt to circumvent the open meeting laws by holding a series of three Board Member meetings, emails, or text on the same topic involving city business.

3. Use of social media sites by Board Members may inadvertently create an open meeting issue if a majority of Board Members engage on a particular site.

II. SUNSHINE LAW – OPEN MEETING/PUBLIC RECORDS

a. Upper Arlington City Charter

i. Section XI: Council Meetings

1. "All Meetings of Council or its committees shall be open to the public, except executive sessions which may be held pursuant to City ordinance or state law." Executive sessions are not public meetings.

b. R.C. 121.22(G)

- i. Under state law, all meetings concerning public business shall be open to the public, except certain executive sessions authorized and listed under R.C. 121.22(G)(1)-(8).
- ii. Council Rules which are adopted by ordinance also list subjects for executive session.
- iii. An executive session requires a motion approved by a majority of the Public Body taken by roll call vote.
- iv. The general categories of permitted executive sessions include:
 1. Personnel Matters
 2. Real Estate Matters
 3. Legal Matters
 4. Labor Negotiations
 5. Security Matters
 6. Confidential Matters
 7. Economic Development Matters

c. Executive Sessions – *State ex rel Finley v. Kyger, et al.* (1995), 72 Ohio St.3d 164.

- i. A City Council or public body may not hold executive sessions if they are prohibited in the City Charter.
 1. The Charter of the City of Upper Arlington expressly provides that City Council may hold executive sessions "pursuant to State law or city ordinance"
 2. City Council has to strictly follow state law for holding executive sessions.
 3. Article II, Section 13 of the Council Rules restates the statutory mandated process and topics for executive sessions.

d. Documents distributed in executive session, may be a public record.

e. Conversations in executive session are confidential.

Citizen Financial Review Task Force (CFRTF) Recommendations Update

Brent Lewis (Finance Director)

April 4, 2019



City of Upper
Arlington

CFRTF – Recommendations Update

Recommendations - CFRTF issued report including 15 recommendations

1. No major cuts in staffing or programs.
 - No major programs cut.
 - Staffing has increased by a total of nine positions since 2014 (SRO's, Engineers, Parks Maintenance)
2. No additional tax dollars should be pursued for general operating expenses (should be reviewed during follow-up review).
 - No additional property or income tax increases for operating expense since 2014.
3. Continued focus on privatization of public services, expanding shared services, or fundamentally reengineering how specific services are delivered.
 - Privatization examples – solid waste services, road striping, street sweeping, swim lessons
 - Shared service examples – infrastructure projects with Marble Cliff, community fiber project with UA schools and library, consolidation of dispatching services
 - Reengineering services – parks comprehensive study, leaf collection



CFRTF – Recommendations Update (cont.)

4. Consider the following options:

- a. Consolidate dispatching operations.
 - Police and fire dispatching services transferred to the Northwest Regional Emergency Communications Center (NRECC) – 2017
- b. Explore opportunities for the Fire Division to contract for services with surrounding communities.
 - Department remains open to potential opportunities.
 - Continued contract for services with Perry Township.
- c. Raise the employee share of the cost of benefits to be more closely aligned with the private sector.
 - Employee share has been tied to labor agreements for several years, limiting the amount of increase.
- d. Examine opportunities for further costs savings by contracting for legal services.
 - Review by a Council hired third party consultant is currently taking place.



CFRTF – Recommendations Update (cont.)

5. Ten-year CIP should be implemented and funded. Projects enjoyed by all residents should be assigned high priority, while those benefiting fewer residents should be given normal priority.
 - Ten-year Capital Improvement Plan (and related funding) is updated annually.
 - Top priorities continue to be City infrastructure (roads, utility lines, community park projects).
6. Capital improvement program should be managed in such a way as not to “fall behind: in the future.”
 - CIP has been at least at least \$6 million greater than the 2014 CIP every year since prior task force.
7. Fees charged for programs should cover costs (i.e. recreational programs, development services, court services, and emergency medical transportation). Those programs that are deemed as contributing to quality of life and fulfilling community objectives, thus overriding the goal of full cost recovery, should be clearly stated.
 - Continually being evaluated.
8. Utility charges should cover both operating and capital improvement costs.
 - Continue to allocate capital expenditures to utility funds as funds are available.
 - Council authorized 5% increase to water and sewer surcharges effective January 2019.



CFRTF – Recommendations Update (cont.)

9. Every effort should be made to collect all income taxes currently due.
 - City continues to work with RITA and internally on collection of delinquent taxes.
 - Position authorized in 2019 budget to assist with this area.
10. Be open to new avenues of revenue to support City operations.
 - Continuing to evaluate new opportunities, including additional fees and grants.
11. Consider placing an 0.5% income tax increase before the voters of the November 2014 ballot.
 - Issue 23 was approved by the voters increasing income tax from 2% to 2.5%.
12. Adopt policy which clearly shows revenues generated by the increased income tax will be used primarily for capital improvements.
 - Included in ballot language.
 - Additional .5% to be for capital improvements/infrastructure and debt service related to such expenditures.
 - 72% of all income tax allocated to operations, 28% to capital improvements.



CFRTF – Recommendations Update (cont.)

13. Do not reduce credit for income taxes paid to other communities.
 - Income tax credit remains 100% of tax paid to other communities up to 2.5%.
14. Consider replacing the current .5 mill bond levy set to expire in 2017/2020 with a levy for additional capital needs.
 - This is an item the current Task Force will review.
15. Review of the City's financial position every three years to determine the effectiveness of the action taken and to initiate new actions as necessary.



DISCUSSION AND QUESTIONS

