

**COMMON COUNCIL
FINANCE COMMITTEE
SEPTEMBER 5, 2019**

The City of Noblesville Council Finance Committee met on Thursday, September 5, 2019. Megan Wiles called the meeting to order at 8:15 a.m. with Christopher Jensen, Greg O'Connor, and Rick Taylor present.

Also present were Controller Jeff Spalding, Deputy Clerk Charlene Cummings, Assistant Economic Development Director Andrew Murray, Economic Development Specialist Amy Smith, Chief Accountant Heather Trexler, and Administrative Assistant Jacqueline Thompson.

Finch Creek Fieldhouse TIF Allocation Area

Mr. Murray stated in 2017, the City entered into an agreement with the owners of Finch Creek Fieldhouse to reimburse the developer for certain costs, a portion of which will come from tax increment generated from the project. He stated part of that process is to establish a TIF district for the fieldhouse property, so that tax increment can be collected beginning in 2020. He stated the Redevelopment Commission approved a declaratory resolution in December 2018, and the next step was for the Plan Commission to confirm that the economic development plan attached to the resolution conforms to the City's Master Plan. He stated now the Council must consider a resolution that approves the Redevelopment Commission's declaratory resolution and the Plan Commission's action. He stated after the Council takes action, the Redevelopment Commission will hold a public hearing and consider a confirmatory resolution. He stated the resolution was brought to the Finance Committee in April, but there was a decision to postpone action until now. He stated this process must be completed before the end of the year in order to collect the tax increment in 2020.

Mr. Murray and Ms. Smith left the meeting.

Appropriations & Appropriations Transfers vs. Cash Transfers

Mr. Spalding explained the difference between appropriation transfers and cash transfers. He noted that appropriating funds is unique to government. He stated appropriation transfers do not actually move money, but instead change the plan for spending certain funds. He stated cash transfers actually move money from one fund to another.

Preview of September 10 Budget Review

Mr. Spalding stated his original meeting schedule left a two-week period between an August 27th presentation meeting and a September 10th summary meeting. He stated because the August 27th meeting was rescheduled to September 3rd, he was only left with one week to prepare, which has not been enough time to answer questions and organize the material. The committee agreed to reschedule to September 10th budget meeting to September 24th at 5:00 p.m.

Property Tax Rate Target (continued)

Mr. Spalding stated if the Council is interested in managing a target tax rate, the decision will have to be made at least ten days before the budget is introduced on October 15th. He explained if a short term bond is to be issued, the debt service will need to be included in the budget. He stated the budget must be advertised 10 days before it is introduced.

Mr. Spalding distributed an illustration of the breakeven point for Homestead Assessed Value. He noted that low income homeowners age 65 and over are eligible for an additional deduction or a circuit breaker credit. He noted that homes that do not qualify for the one percent property tax cap are paying less than one percent taxes.

Fiscal (and Related) Actions on Council Meeting Agenda – September 10th

- *Resolution RC-11-19*

The resolution was discussed earlier in the meeting by Mr. Murray.

Claims Docket Review

The committee recommended approval of the claims.

Review of Agenda Addendum

Mr. Spalding stated the Department of Local Government Finance (DLGF) has introduced more requirements to the appeal process for the High Assessed Value (AV) Growth Levy. He stated he is working with financial consultant Michael Reuter on a strategy for the appeal. Mr. Jensen asked when the appeal will be decided. Mr. Spalding replied the appeal must be filed in October, and the decision will be a part of the DLGF's budget order issued in December or January.

He stated there have been some glitches with OpenGov, but they are working to correct them and move forward with the budget.

He stated a new OFA employee, Samuel Beres, will begin on September 16th as a Budget/Financial Analyst.

He stated he will meet with Policy Analytics about their work with Proforma TIF cash flow projections on September 16th.

Mr. O'Connor asked if the internal controls contract could be extended to perform the City's audit instead of the State Board of Accounts. He noted Fishers uses an outside auditor. Mr. Spalding replied outside auditors are much more expensive, but they are more thorough and can offer more advice. Mr. O'Connor stated he believes there may be real value in hiring an outside auditor.

Ms. Wiles asked if the Road and Park Impact fees will be included in the budget. Mr. Spalding stated they have never been included in the budget, but he is more comfortable with that practice than he was. He stated the Council's act of approving the fees and how they can be used is a de facto appropriation. He stated the Council can still appropriate them if they like, but he does not have the resources to include them in the 2020 budget. Ms. Trexler stated the fees are being used very efficiently in current practice.

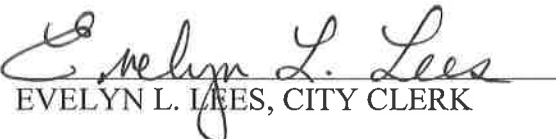
Ms. Wiles asked if the Parks Board has the power to appropriate Parks fee revenue, and the roll of the Council. Mr. Spalding stated he has not found a definitive answer yet, but he continues to investigate. He stated he believes the Council has the final authority on the appropriation of funds, but the Parks Board has authority over expenditures.

Other Business at Discretion of the Chair

Mr. Spalding distributed documents approved by the Town of Arcadia and the City of Fishers regarding establishment of a Public Safety tax rate to fund the county emergency dispatch center. There was a brief discussion concerning the impact the new tax rate could have on the City.

The meeting adjourned at 9:15 a.m.


MEGAN G. WILES, COMMITTEE CHAIR


EVELYN L. LEES, CITY CLERK