

**COMMON COUNCIL
FINANCE COMMITTEE
JANUARY 21, 2021**

The City of Noblesville Council Finance Committee met pursuant to public notice in room A213 at City Hall on Thursday, January 21, 2021. The meeting was called to order at 8:15 a.m. with Mike Davis, Greg O'Connor, Megan Wiles, and Wil Hampton present.

Also present were City Clerk Evelyn Lees, Deputy Mayor Matt Light, Community and Economic Development Director Sarah Reed, Economic Development Director Andrew Murray, Workforce Development Manager Chuck Haberman, Controller Jeff Spalding, Budget/Financial Analyst Sam Beres, Chief Accountant Heather Trexler, and Administrative Assistant Jacqueline Thompson.

Claims Docket Review

After discussion, the committee recommended approval of the claims.

Ms. Trexler stated the Police Department is still working with the parking vendor concerning payment of credit card convenience fees.

Economic Development Area – Nexus Noblesville

Mr. Murray stated last year the Council approved an agreement with Cityscape for a new development at the site of the former Marsh supermarket. He stated a part of the City's commitment to the project is to remove the property from the Noblesville Redevelopment Area and create a new allocation area. He stated Resolution RC-4-21 is one step in multiple required statutory steps. He stated the Redevelopment Commission adopted a declaratory resolution at its meeting last week. He stated the Plan Commission affirmed that the declaratory resolution conforms to the City Comprehensive Plan at its meeting earlier this week. He stated if the Council approves this resolution, the Redevelopment Commission will consider a confirmatory resolution. He stated the new allocation area will allow the City to capture property tax and pledge it to debt service on the bonds for the project. He stated Cityscape hopes to have the bond proceeds by mid-March, which is an aggressive schedule.

Development Agreement – Washington Business Park

Mr. Murray stated the proposed business park was discussed by the Council in executive session last week. He stated the development agreement includes a City-issued bond. He stated the City will pledge 65 percent of the tax increment toward debt service on the bond. He stated some minor points of the agreement are still being finalized.

Ms. Reed noted the developer is not seeking a zoning change or any waivers to development standards at this time, so the project may be built without the need for any further approvals by Council. Mr. Murray stated the developer plans to begin infrastructure construction in the spring. He stated the agreement will allow the developer to petition the City for access to Cumberland

Road only if certain conditions are met, including improving Cumberland Road. He stated several businesses are already interested in the project.

Ms. Reed, Mr. Murray, and Mr. Haberman left the meeting.

2020 Revenue Summary

Mr. Spalding stated his office hopes to do more of this type of reporting in the future. He stated this type of report provides context to the data in the Fiscal Plan. Mr. Beres stated this information will most likely be reported on a quarterly basis in order to compare actual revenues to Fiscal Plan projections.

Mr. Beres presented the 2020 Revenue Summary. He reviewed the Maximum Levy + Local Income Tax Funds, which include the General Fund, Motor Vehicle Highway (MVH) Fund, the Park Operating Fund, the Cumulative Capital Fire Fund, the Downtown Development Fund, the COIT/Debt Sinking Fund, and the Rainy Day Fund. He explained actual revenues for these funds were \$2.4 million higher than the Fiscal Plan estimate because of the City's CARES Act reimbursement.

He reviewed revenues for Other Operational Funds, which include the Cumulative Capital Development (CCD) Fund, the Park Program Fees Fund, the Local Road and Street (LRS) Fund, the Park and Road Impact Fee Funds, and other small funds that each account for less than \$150,000.00 per year in revenue. He stated these funds generated approximately \$511,000.00 more than the Fiscal Plan projection. He noted more than half of that amount was due to record revenues from golf fees.

He reviewed Property Tax Collections and how they are allocated. He stated property tax collections were approximately 2.2 percent lower than the Fiscal Plan estimate for 2020. He presented an overall summary of 2020 revenue. Mr. Spalding stated the City uses conservative projections for budgeting.

There was a brief discussion concerning TIF districts. Ms. Wiles expressed concern that when property tax is reserved for a TIF district, the new demand for services created by the project may put a strain on City departments to provide services without additional property taxes to fund them. Mr. O'Connor expressed a desire to receive a regular review of the City's debt. Mr. Spalding explained the City has three categories of debt: the Civil City, the Wastewater Utility, and TIF districts. He stated he hopes in time the Council will become comfortable with this summary and use it as a quick reference. Mr. O'Connor commended Mr. Spalding and Mr. Beres for producing the summary. He stated this type of report will also please the credit rating agencies.

Fiscal (and Related) Actions on Council Meeting Agenda – January 26

- *Ordinance #05-01-21 – Additional Appropriation to provide funding for annual reporting requirements (Fire Pension Fund)*
- *Ordinance #06-01-21 – Additional Appropriation to provide funding for annual reporting requirements (Police Pension Fund)*
- *Ordinance #07-01-21 – Additional Appropriation for 2nd Round of Small Business Resilience Grants (General Fund)*
- *Resolution RC-4-21 – Approving the Declaratory Resolution Establishing the Nexus Noblesville Economic Development Area*
- *Resolution RC-5-21 – Economic Development Agreement with Patch Development, LLC (Washington Business Park)*

These items were discussed earlier in the meeting. Mr. Spalding stated at the last meeting, he was asked how many pre-1977 police and fire pensioners the City has. He stated there are 20 pensioners: 14 Fire Department pensioners, and 6 Police Department pensioners. He noted some pensioners are surviving spouses of the original pensioners.

Review of Agenda Addendum

Mr. Spalding stated two new items have been added: Nickel Plate Express Assistance Financing, and Downtown Improvements Project Financing. He stated he expects action on these items in the near future. Ms. Wiles stated the Downtown District Committee is working with the Administration on financing for the Downtown Improvements Project.

Other Business at Discretion of Chairman

Mr. Hampton asked when the Small Business Resiliency Grants will be paid. Ms. Trexler stated the claims are on the docket to be approved on January 26. She stated the checks will be given to Community Engagement Manager Kayla Arnold to hold until all required documentation has been received.

Mr. O'Connor asked for an update on the internal controls report from Crowe LLP. Mr. Spalding replied he will provide an update. Mr. Light stated the Administration is working through a prioritization plan for the recommendations. He offered to meet with Mr. O'Connor to receive his feedback. Mr. O'Connor enthusiastically agreed.

The meeting adjourned at 9:35 a.m.


EVELYN L. LEES, CITY CLERK


MIKE DAVIS, COMMITTEE CHAIR