

**COMMON COUNCIL
FINANCE COMMITTEE
APRIL 22, 2021**

The City of Noblesville Council Finance Committee met pursuant to public notice in room A213 at City Hall on Thursday, April 22, 2021. The meeting was called to order at 8:15 a.m. with Mike Davis, Wil Hampton, Greg O'Connor, and Megan Wiles present.

Also present were City Clerk Evelyn Lees, Deputy Mayor Matt Light, Fire Chief Matt Mitchell, Deputy Chief Chris Gellinger, Parks and Recreation Director Brandon Bennett, Economic Development Director Andrew Murray, Economic Development Specialist Amy Smith, Controller Jeff Spalding, Budget/Financial Analyst Sam Beres, Chief Accountant Heather Trexler, and Administrative Assistant Jacqueline Thompson,

Seating was limited due to COVID-19 restrictions. Pursuant to Hamilton County Health Department guidance, a call-in telephone number was provided for interested citizens to listen to the meeting.

Claims Docket Review

After discussion, the committee recommended approval of the claims.

Additional Appropriation – Remodel of Fire Station #74

Mr. Beres stated Ordinance 30-04-21 is a fiscal action to appropriate approximately \$1.4 million to the Fire Department budget for the renovation of Station 74. He stated last year the City received approximately \$2 million in reimbursements from the CARES Act. He stated most of that amount reverted to the General Fund at the end of the year. He stated some of that money will be used for this appropriation. Mr. Spalding explained that once the money reverted to the General Fund its use was no longer restricted, but since the CARES Act reimbursements were mainly focused on public safety, his office felt this was a use of the funds that was in keeping with the spirit of the CARES Act. Mr. Beres agreed that the money became available for any use when it reverted to the General Fund. Chief Mitchell stated the station sleeps three people now, and the renovations will expand it to house seven people, as well as updating and upgrading almost all areas of the station.

Mr. O'Connor observed that the renovations to the fire station would have a 30 year life. He asked if it might be better to pay for the renovations with a bond and use cash for another purpose. Mr. Spalding and Mr. Beres explained this was a very small sum to bond that might not be worth the expense of issuance, that issuing bonds is a complicated process, and that the City's constitutional debt limit must be kept in mind. Mr. O'Connor stated because interest rates are very low, it might be worthwhile to bundle several projects of this type into one bond. Mr. Spalding stated he is not opposed to the concept. Ms. Wiles stated because this is not a very large project, it is better to pay cash and get it done. The committee recommended approval of the ordinance.

Chief Mitchell and Chief Gellinger left the meeting.

Appropriation Transfer – Nickel Plate Bond Interest Payment

Mr. Spalding stated appropriation transfer TA-03-21 is needed because the prepaid interest on the Nickel Plate assistance bond will be paid in cash. He stated debt service on the bonds will be funded with property tax, but the property tax will not be received until 2022. He stated the first interest payment will be due in 2021, so the transfer is needed. He stated the funds will be transferred from the contingency to the Economic Development Programs budget. He noted Hamilton County Tourism will reimburse the City for 50 percent of the payment. The committee recommended approval of the transfer.

Redevelopment Commission Annual Report of Activities

Mr. Murray deferred to Ms. Smith. Ms. Smith stated this annual report is required by statute and is presented to the Redevelopment Commission, the Council, and the Department of Local Government Finance (DLGF). Ms. Smith reviewed the report's contents for the committee. Mr. Murray stated the information is better organized now than it was in the past.

Mr. Murray and Ms. Smith left the meeting.

Quarterly Reports of Revenues and Expenditures

Mr. Beres stated this report is relatively new. He stated in January he reported on revenues and expenditures for 2020. He noted revenue projections for 2021 were pessimistic due to the pandemic and its anticipated effects. He stated so far, revenue has exceeded expectations. He stated the intent of this report is to keep the Council informed of forecasted revenue compared to actual revenue. He reviewed the report. He stated revenues are higher than what was expected due to the pessimistic forecasts. He reviewed expenditures. He noted because it is still early in the year, there is not much comparable data yet. Mr. O'Connor stated the report is a good tool. Mr. Spalding stated over time the report will have more tables and graphs, and less text. He stated the revenue report is more informative and useful for long term planning. He noted it takes many years to build data history. He commended Mr. Beres for his work. Mr. Beres stated the forecasts were too pessimistic, but everyone's forecasts were at the time.

Mr. O'Connor asked if more funding would come from the American Rescue Plan Act (ARPA) or from state government. Mr. Light stated there may be more programs at the state level that could provide more funding opportunities. After a brief discussion, the committee urged the Administration to seek out subject matter experts to help the City maximize efforts to apply for eligible funding. Mr. Spalding stated there is a possibility the legislature will make the Community Crossings Matching Grant a permanent program. He stated if that happens, the City may need to identify a new funding source in approximately five years. Mr. O'Connor asked if the City could be eligible for part of the County's \$65 million distribution from ARPA. Mr. Light replied the Administration is speaking to the county commissioners about possible partnerships.

Summary of Routine Appropriation Transfers per RC-2-21 – 1st Quarter

Mr. Beres reviewed the quarterly report of small, technical transfers authorized by Resolution RC-2-21. He stated the only transfers were for payroll. He stated payroll used to be budgeted at the maximum amounts in the salary ordinance, but this year the budget was based on actual pay. He stated when an employee is given a pay increase, a transfer is made. He stated this process has led to more accurate budgets. Mr. Davis noted this is the second year for these types of transfers. He asked if the process is working. Mr. Beres replied yes, it has worked well. Mr. O'Connor stated the process is transparent.

Summary of Appropriation of Grant Proceeds per RC-3-21 – 1st Quarter

Mr. Spalding stated this report is new but will be routine. He reviewed the report for the committee.

Fiscal (and Related) Actions on Council Meeting Agenda – April 27

- *Ordinance #16-04-21 – Authorization for the City to issue TIF Bonds for the Washington Park Project*
- *Ordinance #17-04-21 – Authorization for the City to issue TIF Bonds for the East Bank Economic Project*
- *Ordinance #28-04-21 – Establishes the American Rescue Plan Coronavirus Local Fiscal Recovery Fund*
- *Ordinance #29-04-21 – Authorization for the Redevelopment District to issue Property Tax Bonds for Financial Assistance to Nickel Plate Heritage Railroad*
- *Ordinance #30-04-21 – Additional appropriation for the design and remodel of Fire Station #74*
- *Appropriation Transfer TA-03-21 – 2021 Interest Payment on Nickel Plate Heritage Railroad Bond Issuance*
- *Miscellaneous – Summary of 1st Quarter Appropriation Transfers per RC-2-21*
- *Miscellaneous – Summary of 1st Quarter Appropriation of Grant Proceeds per RC-3-21*

These items were discussed earlier in the meeting. Mr. Spalding stated Ordinance #28-04-21 will be amended before the second reading. He stated outside counsel has recommended some changes to language in the ordinance.

Review of Agenda Addendum

Mr. Spalding stated a new item on the addendum is financing for the upcoming Federal Hill parking garage. Ms. Wiles asked what the timeline for construction on the Federal Hill parking garage will be. Mr. Bennett replied utility relocation will begin in May. He stated concerts at the park will not be affected, and the Farmers Market will only be minimally affected. He stated once construction begins in late summer, parking will be moved to the parking lot belonging to


Riverview Health on the south side of Conner Street, and it will be moved to the vacant lot west of Wendy's on the north side of Conner Street.

Other Business at Discretion of Chairman

The meeting adjourned at 9:52 a.m.



MIKE DAVIS, COMMITTEE CHAIR



EVELYN L. LEES, CLERK
CITY OF NOBLESVILLE