



City of Pataskala *Legislative Report to Council*

Legislative Report

January 16, 2018 Council Meeting

Unfinished Business

A. Ordinances

➤ **ORDINANCE 2017-4303 – 3RD READING**

This ordinance would amend the fees for the Planning and Zoning Department. The amendments being proposed would provide greater clarity in the fees, remove unnecessary fees and fill some exiting gaps. The new regulations for food trucks and the updated subdivision regulations moving forward in the process to adoption would create additional gaps in the existing fee schedule. Therefore, the Planning and Zoning Department is recommending that the fee schedule be revised.

➤ **ORDINANCE 2017-4304 – 3RD READING - AN ORDINANCE APPROVING A MEMORANDUM OF UNDERSTANDING WITH THE LICKING HEIGHTS LOCAL SCHOOL DISTRICT IN CONNECTION WITH POSSIBLE TAX EXEMPTIONS IN A PORTION OF THE PATASKALA CORPORATE PARK, AS EXPRESSED IN THE ATTACHED EXHIBIT A.**

AND

Ordinance 2017-4305 – 3RD READING - AN ORDINANCE APPROVING A MEMORANDUM OF UNDERSTANDING WITH THE SOUTHWEST LICKING SCHOOL DISTRICT IN CONNECTION WITH POSSIBLE TAX EXEMPTIONS IN A PORTION OF THE PATASKALA CORPORATE PARK, AS EXPRESSED IN THE ATTACHED EXHIBIT A.

Approval of these two ordinances would authorize the City Administrator to enter into identical Memorandums of Understanding (MOU) with both of our local school districts for the tax abatement program (CRA) in place in the Pataskala Corporate Park. Representatives from the city and both school districts have met several times to discuss the terms of this compensation sharing MOU.

Ohio Revised Code requires that any CRA abatements greater than 50% must receive the approval of the local municipal government and the local school district. In the case of the Pataskala Corporate Park, both school districts' boundaries stretch into the park. ORC states that in the absence of sharing agreement being agreed to by all parties, the school

district is to receive 50% of income tax revenue generated in the abatement area, once the payroll reaches \$1,000,000.

The City's 1% income tax applies to the entire Corporate Park. (Depicted on the attached map with the yellow boundary). Inside the JEDD Area (depicted on the attached map with brown shading) there is an additional 1.75% income tax collected, in addition to the city's 1%.

The 1.75% JEDD tax is split, as shown below, amongst the JEDD members.

<u>JEDD Income Tax Distribution</u>	<u>1.75%</u>
Infrastructure	35%
Joint Distribution	65%

<u>Distribution of joint 65%</u>	
City of Pataskala	79.232%
Newark Income Tax	6.923%
Licking County	3.846%
City of Newark	3.846%
West Licking Fire	3.077%
Harrison Township	1.538%
C-TEC	1.538%

The MOU proposed with this resolution would apply the ORC statute 50% income tax share with the schools (once payroll exceeds \$1,000,000) for the city's 1% income tax. The city would retain 100% of our portion of the JEDD income tax plus our 50% of the shared 1%.

➤ **ORDINANCE 2017-4308 – 2ND READING – SUPPLEMENTAL APPROPRIATION**

Although we are in the early days of 2018, in December we identified several significant adjustments needed to be made to the budget since Council approved it back in November, 2017. Currently, two specific areas have been identified and are covered below. **We are respectfully requesting that Council hold the 2nd reading of the ordinance at the January 16th meeting. We would anticipate that this legislation would go through all three (3) required Council readings. Nothing in this ordinance has been changed since its' first reading.**

- *Section 1: Police Station* – The 2018 budget included debt issuance and appropriations of \$4.5 million of the construction of the new Police station. At the December 4th meeting, Council authorized the project (including cruiser shed) at a total cost of \$4,579,910 – a nearly \$80,000 budget shortfall. **We are requesting an increase in approved appropriations of \$100,000 (bringing the total to \$4.6 million), in order to cover the increased costs.**
- *Sections 2-6: 2017 Employee Health Insurance Claims Runout* – We were notified that the result of leaving the OPEC-HC plan effective January 1, 2018, is that the

plan will cease paying on any 2017 claims received in 2018, or those received prior to January 1st, but for which payment was not yet processed. In the insurance industry, these claims are known as ‘runout claims’. While the total financial exposure is not known at this time, the plan’s actuaries have estimated the cost to be approximately \$130 thousand. In addition to the claims costs, we are also responsible for paying the costs of a third-party (Medical Mutual) to administering the runout claims. This expense is anticipated to be approximately \$12-15 thousand. **In total, we are requesting an increase of \$150,000 to cover the potential costs.**

➤ **ORDINANCE 2017-4309 - 2ND READING – FINANCE ACCOUNTING CLERK**

Included in the 2018 budget was the addition of a new position (Accounting Clerk) in the Finance department. A comprehensive analysis and support for the position was previously created and distributed to Council in October, 2017. A copy of that document has distributed to Council at the 1st reading. The proposed ordinance would create the position, establish initial compensation and amend the non-union pay matrix to reflect the addition of the new position. **A 2nd reading of the ordinance is being requested at the January 16th Council meetings. We would anticipate that this legislation would go through all three (3) required Council readings.**

➤ **ORDINANCE 2017-4311 – 2ND READING**

New Business

A. Ordinances

➤ **ORDINANCE 2018-4310 – 1ST READING – EMPLOYEE HANDBOOK & POLICY MANUAL**

The city’s *Employee Handbook & Policy Manual* had its last major update in 2016. Since that time, we have adopted three new collective bargaining agreements. Throughout the course of those negotiations, we sought consistency between the terms in each, and now need to bring the non-union employee guide in line with those contracts. The existing policy manual was provided to our legal counsel for their review, and most of their recommended changes were related to language clarification and clean-up. Some of the changes for consistency include:

- Comp time to be taken in 15 minute increments
- Clarifies comp time cashout process, and enables employees to request multiple cashouts during the year.
- Added a new uniform and clothing section for non-union employees (Sec. 6.10)
- Streamlined the medical insurance information to eliminate specific details, eliminating to update the section when benefits change.
- Clarifies accrued vacation time cashout process, including requests during Q4 of the year.

- Cleaned-up language in the investment policy to reflect current regulatory environment.

B. Resolutions

➤ **RESOLUTION 2018-002 – PROPERTY & LIABILITY INSURANCE RENEWAL**

The 2018 insurance renewal process has been completed, and we met with the agent on January 5th to go over their proposal. The current policy expires on February 19th, with the new policy running from February 19, 2018 through February 19, 2019. The proposed renewal premium is \$115,746 and reflects a \$6,105 (5.01%) decrease over our 2017 premiums. There are three (3) primary drivers of the decrease: (1) the automobile policy premium decreased by \$2,389 (7.95%) and is primarily the result of an decreased value and number of vehicles covered, and recent claims history; (2) the Law Enforcement policy premium decreased by \$1,447 (6.32%) and was driven in large part to reduced claims and aged claims rolling off of our experience; and (3) The Ohio Plan credit increased by \$6,304 (91.3%) due to improved adherence to policies and reduced claims activity. A copy of the analysis accompanies this report.

➤ **RESOLUTION 2018-004**

A resolution authoring and directing the City Administrator to execute a contract with Jobes Henderson Hull for the 2018 Utility GIS Program. The 2018 Utility Budget included \$20,000 (split between the water and sewer funds) to continue to build and update the GIS system.

➤ **RESOLUTION 2018-005**

A resolution authorizing and directing the City Administrator, or his designee, to advertise for competitive sealed bids for the 2018 Water Well Preventative Maintenance Program. The 2018 Utility Budget includes \$50,000 for the preventative cleaning and maintenance of the four water wells at Water Treatment Plant 1. This resolution with authorize the bidding process with final authorization to come before City Council.

CITY OF PATASKALA, OHIO
PROPERTY, CASUALTY & LIABILITY INSURANCE RENEWAL ANALYSIS

	2018	2017	\$ Incr/(Decr)	% Incr/ (Decr)
General Liability	\$ 12,134.00	\$ 11,710.00	\$ 424.00	3.62%
Public Officials	21,026.99	20,386.00	640.99	3.14%
Law Enforcement ⁽²⁾	21,464.00	22,911.00	(1,447.00)	-6.32%
Crime & Blanket Bond	128.99	171.00	(42.01)	-24.57%
Scheduled Property ⁽¹⁾	29,796.00	27,143.00	2,653.00	9.77%
Auto ⁽³⁾	27,651.00	30,040.00	(2,389.00)	-7.95%
Inland Marine	4,140.00	4,017.00	123.00	3.06%
Data	212.00	210.00	2.00	0.95%
Additional Liability Limits	10,033.00	10,033.00	-	0.00%
Cyber Liability	2,371.00	2,137.00	234.00	10.95%
Ohio Plan Advantage/Other Credit	<u>(13,210.98)</u>	<u>(6,907.00)</u>	<u>(6,303.98)</u>	<u>91.27%</u>
Total	\$ 115,746.00	\$ 121,851.00	\$ (6,105.00)	-5.01%

NOTES:

(1) Increase in Scheduled Property is due to increased number/value of assets insured.

(2) Decrease in Law Enforcement is due to reduced claims/aged claims rolling off experience

(3) Decrease in automobile coverage is due to improved claims history and reduced fleet size