



Common Council Meeting – Minutes for December 18, 2023

Council Members in Attendance: Ben Leavitt, Dana Hollar, Amy Rosa, Dustin Geyer, Kelbi Veenstra

Also Present: Mayor: Phil Jenkins, **Clerk-Treasurer** Jeff Knight, **Guests:** 8 (6 IP, 2 OL), and one member of the press (IP) were in attendance.

- Call to Order: Mayor Jenkins called the meeting to order at 7:00 pm and led the Council in the Pledge of Allegiance and an opening prayer.
- Roll Call: Council members listed above were in attendance in person. City Attorney Hoffer was unable to attend.
- Approval of Minutes from the December 4, 2023, Council meeting: Council Member Hollar motioned to approve the minutes. Council Member Rosa seconded. The minutes were approved unanimously by voice vote.
- There were no petitions or comments by citizens.
- Reports of Committees, Boards and Commissions: CT Knight presented the Clerk-Treasurer Report for November. CT Knight commented on the \$1,1 million sitting in the bank account with BONY Mellon. These are the remaining funds from the bonds used for the US 6 Water project that began in late 2020. Due to liquidated damages charged against Indiana Earth, these funds were unused, but they can be used in the future with the help of Commonwealth Engineers aligning these funds with another project. He went on to mention that the \$2.6 million GO Bond has now been added to the report. These funds are sitting in an interest-bearing checking account. There is also one CD Maturing on January 15th, and a review will be done of surplus cash on hand in January after the late December property tax distribution has been received. Mayor Jenkins talked about how these funds had been used and that the State Revolving Funds (SRF) used for Led Line Replacement were actually 0% interest debt. Councilmember Geyer asked if when a payment is made on the bond, it is principal only. Mayor Jenkins said yes. Ms. Heather James (Ice Miller) concurred with the Mayor's description and noted that the rate received through the SRF was much lower than would normally be received through a traditional bank. Council Member Geyer asked if these funds could be invested in a CD. Ms. James said that how these funds were managed was governed by the bond documents and the agent bank involved is BONY Mellon. CT Knight noted that BONY Mellon treats these funds similar to a mutual fund where they invest the funds and recapture the growth for use in the projects. Ms. James agreed and said Baker Tilly advised on the type of fund to be involved in. There were no additional questions or comments. Councilmember Rosa motioned to approve the CT Report. Council Member Hollar seconded. The CT Report for November was approved unanimously by voice vote.
- Unfinished Business: 2nd Reading of Ordinance 1628 – Establishment of Redevelopment Authority: Mayor Jenkins presented the ordinance on second reading. He pointed out the various functions of the RDA as listed in the ordinance. Mayor Jenkins continued by explaining the difference in the types of bonding tools. Ms. James interjected that the type of financing the City is looking to utilize is a Lease Bond because the Redevelopment Commission has a 2% statutory debt limit. In order for the City to issue the amount of bonds necessary to fund the project, the City needs to utilize a type of financing structure that the Indiana Supreme Court has ruled as an exception to the debt limit. One such recognized exception is a lease/rental bond. The RDA is a conduit for financing purposes. The sole purpose of the Authority is to finance and construct these local public improvements and then lease them back to the Redevelopment Commission. This process is the same as what school districts all over



the state use. Mayor Jenkins showed a small flow chart of how the process works. Ms. James walked through a hypothetical time frame of the Lease Financing process and the responsibilities of the RDA. Mayor Jenkins reiterated that the Lease Rental financing process is why the City is pursuing appraisals on the City Hall and EMS buildings. Ms. James said this is a much more efficient process because lease payments cannot be made until the specific building is available for use. This way the separate collateral will allow lease payments to begin immediately instead of having to capitalize interest. Council Member Geyer inquired about the 2% statutory debt limit. Ms. James explained there is a 2% statutory debt limit the Redevelopment Commission is bound by. They cannot issue debt in excess of 2% of the adjusted value of taxable property. Not more than 1/3 of the City's net assessed value. Council Member Geyer asked what that dollar amount is. Ms. James replied it is in the ballpark of \$5 million to \$6 million. That is the cap. Mayor Jenkins responded that this is why the City needs to use the Lease/Rental Bond method and is pursuing getting the buildings appraised. Ms. James noted that a lease is not considered debt. Mayor Jenkins voiced his appreciation for Ms. James being on the videoconference and for the help Ice Miller has provided to the City. There were no further questions or comments. Council Member Leavitt motioned to approve the ordinance on second reading. Council Member Hollar seconded. Ordinance 1628 – Establishment of Redevelopment Authority was approved unanimously by voice vote on second reading.

- New Business:
 - Ambulance Billing Charge-offs: CT Knight presented the ambulance billing charge-offs in the amount of \$268,022.64. He noted that there really is not anything he can do about these balances being charged off. CT Knight continued by noting the amount of revenue generated from the Ambulance Billing Service thus far is 281,619.68. Almost all of the charge-offs are for balances above the Medicare/Medicaid/Insurance thresholds. Mayor Jenkins equated this to property tax caps. Council Member Rosa asked who audits these amounts and where the submission comes from. CT Knight said the submission comes from Ambulance Billing and the only audit method would be if there was a public audit of the company. Mayor Jenkins commented that Ambulance Billing handles all of the billing for the City. Council Member Rosa asked if they submit all of the supporting documentation. CT Knight responded that they submit documentation indicating what they can and cannot collect. A discussion ensued about hardship cases. CT Knight indicated that he does not receive many hardship requests but that he has handled those himself instead of sending them on to the BOW or the Council. However, he said he would consult them going forward if that was what they wanted to have happen. CT Knight believed this was within his purview. Council Member Geyer asked where the collection accounts would show up. CT Knight said Ambulance Billing sends the collection matters to a collection agency. Most hardship cases are individuals that just need time to pay. There were no further questions or comments. Council Member Geyer motioned to approve the Ambulance Billing charge-offs. Council Member Veenstra seconded. The Ambulance Billing charge-offs were approved unanimously by voice vote.
- Approval of Accounts Payable Vouchers: City 2023 APV's Totaling \$2,660,444.69: CT Knight presented the APV's to the Council. CT Knight created a spreadsheet that reflected a great deal of end of year clean-up. The various non-payroll expenditures were \$1,509,379.95 consisting primarily of paving related work and shared projects with the WaNee School district. The remaining \$1.1 million was for 2 payrolls, longevity, pensioners pay, and Fire/EMS/Police allowances. Council Member Leavitt thanked CT Knight for creating the expenditure breakdown. Council Member Geyer asked if the City knew what the final payouts would be for Woodview Drive. Street Superintendent Warren interjected that the project



is scheduled to reach completion in May although it is pretty much complete now. There is at least one outstanding change order the City is waiting for the contractor to submit. There is approximately \$300,000 remaining on the contracted price with First Group (engineering firm). However, Superintendent Warren does not believe the costs will reach that \$300,000 amount. It may be closer to \$100,000. Council Member Rosa motioned to approve the APV's. Council Member Leavitt seconded. The APV's were approved unanimously by voice vote.

- Reports by City Officers: Following up on the APV discussion, Superintendent Warren gave an update on Woodview Drive. The street is open and should remain open. There are a few small items that need to be completed. The contractor needs to video all of the lines to make sure they are sealed properly and also for measuring footage in order to match to billing for the amount of feet installed. It is anticipated that will take place in the next few weeks. All of the sod is in, but some may need to be replaced in the spring. The street is, largely, complete. There are two sections along the east end of the bike path that are roped off because there is no guardrail up and there is about a 6' to 8' drop off. The guard rail is about another 10 to 12 weeks out. Final striping will also take place in the spring. Mayor Jenkins noted that he has heard a lot of compliments from the residents along Woodview. There will be an official ribbon cutting in the spring. Council Member Rosa voiced her appreciation for the efforts made by the Street Department and the contractor to help get kids across the street to the school and how they made the school accessible.

Mayor Jenkins recognized Council Member Hollar's service on the Council. This is his last meeting. He has been on the Council a couple of different times. Council Member Hollar said he will miss being involved.

Mayor Jenkins reminded the Council Members who are staying on for the next term as well as those joining for the new term that the swearing in ceremony will be at noon on January 1st in the Council Chamber. An invitation will be sent out and family members are welcome. Light refreshments will be served.

Finally, a conflict-of-interest statement was provided for each Council member to fill out and return for submission to the State Board of Accounts.

- Adjournment: With no further business to be discussed, Council Member Rosa motioned to adjourn the meeting and Council Member Hollar seconded. The meeting was adjourned at 7:45 pm by unanimous voice vote.

Phil Jenkins, Mayor

Attest: _____
Jeff Knight, Clerk of the Council