

**COMMON COUNCIL
FINANCE COMMITTEE
FEBRUARY 6, 2025**

The City of Noblesville Council Finance Committee met pursuant to public notice in room A213 at City Hall on Thursday, February 6, 2025. The meeting was called to order at 8:15 a.m. with Mike Davis, Pete Schwartz, Aaron Smith, and Todd Thurston present.

Also present were City Clerk Evelyn Lees, Deputy Mayor Matt Light, Chief Financial Officer and Controller Jeff Spalding, Deputy Financial Officer Tom MacDonald, Deputy Controller Caitlin Kesner, Executive Assistant Cindy Frye, and Danielle Stiles-Polk and Anita Rogers of the Hamilton County Community Foundation. City Attorney Jonathan Hughes and Consultant Greg O'Connor attended electronically via Microsoft Teams.

Claims Docket Review

Ms. Kesner informed the committee there would no longer be a separate docket for ACH transactions. She stated the transactions were integrated into the appropriate dockets. The committee agreed to recommend approval of the claims.

Presentation – Annual Report by Hamilton County Community Foundation

Mr. Light introduced Ms. Stiles-Polk and Ms. Rogers. He stated the foundation had been through a leadership turnover and subsequent realignment in the past year. He stated it seemed better for the foundation to present to the Finance Committee rather than the full Council. Ms. Stiles-Polk stated today she was named president of the foundation, and Ms. Rogers would be the senior community leadership officer. Ms. Stiles-Polk displayed a PowerPoint presentation. She stated the foundation's historic approach had been from the bottom up, expecting the community to present ideas. She stated now there were new goals, and the approach had been reversed. She stated they were striving to use the foundation's funds to benefit Hamilton County. She stated they would provide training for non-profit organizations. She distributed a handout concerning their strategic plan. She reviewed the foundation's asset base.

Ms. Rogers reviewed the Noblesville grants awarded by the foundation in 2024. She stated a few applications were declined because they were not eligible in 2024, after having received grants in 2023. She stated Noblesville Creates, Noblesville Main Street, and the Boys and Girls Club were asked to reapply this year. She reviewed the Noblesville grants awarded in 2023. She stated awards were given only to true Noblesville organizations. She stated organizations that serve the whole county were not eligible. She stated the foundation also connects individual fund holders with causes they want to help. She reviewed the 2025 competitive grant cycle. She stated they would move from three grant cycles to one grant cycle per year. She stated applications would be due in July and August. She stated the grant application also would be redesigned. She stated the foundation would redesign its rubric for post-grant-cycle scoring. She stated the foundation felt using one cycle was fairer to all applicants. She stated the foundation had received very helpful guidance from Mr. Light, Ms. Wiles, Mr. Smith, and others. She commended Mr. Light for his advice.

Ms. Stiles-Polk reviewed the foundation's draft mission statement. She stated the mission statement would guide grants and justify denials. She stated the statement would help the grants committee. She stated they plan to spend time with the Noblesville nonprofit organizations outside of the grant cycle to know them and their needs better.

Mr. Light stated several years ago there was a desire to have all requests for funding to go through the foundation. He stated the current Administration felt some requests should be funded directly from the City's budget, so currently there was a hybrid approach. He stated the Administration was open to better ways of approaching public purpose grants. Mr. Spalding stated when he joined the City in 2017 funding for organizations increased, and it was decided organizations should work through the foundation. He stated since then, the City had gradually begun funding some requests directly. Ms. Stiles-Polk offered the foundation's help.

Ms. Stiles-Polk stated the foundation planned to improve its marketing and public relations to tell the stories of the organizations that were benefited. She stated as they speak to nonprofit organizations, they ask for help telling their stories. She stated the organizations are too busy doing their work to tell their stories. She stated the foundation needed to explain where funding for the grants comes from. She stated the public was not aware of the City's investment. There was a brief discussion concerning application screening and the City's representative. Mr. Thurston asked if the foundation could provide grant writing help to the nonprofit organizations. Ms. Stiles-Polk replied the foundation could connect nonprofits with consultants, but they could not provide direct help, since that would create a conflict of interest. Ms. Rogers stated one nonprofit had hired a consultant, which was unnecessary. She stated the foundation had paid for a grant writing class. She reminded the committee the foundation would simplify the grant application.

Mr. O'Connor asked for the fund balance. Ms. Rogers replied the fund was a pass-through fund only, so currently the balance was zero. She stated the foundation invoiced the City. Mr. Light stated the invoice was being processed. The committee thanked Ms. Stiles-Polk and Ms. Rogers for their report.

Ms. Stiles-Polk and Ms. Rogers left the meeting.

Resolution – YE 2024 Encumbrance Carry Forward

Ms. Kesner presented the annual resolution to encumber funds from 2024 to 2025. She stated the total was approximately \$8.4 million. She stated most of the encumbered funds were in the General Fund. She stated the high total was due to contracts for the City Cameras and Door Access bid, the City Hall Building Controls Upgrade bid, and the remaining balance of the American Rescue Plan Act (ARPA) funds, which had to be encumbered by December 31, 2024. Mr. Spalding stated all appropriations that were carried forward would have otherwise expired on December 31, 2024. Mr. Davis asked if the total was higher than it was last year. Ms. Kesner replied last year's total also was high due to the Pleasant Street project. Mr. Spalding stated the total of the encumbered funds was not a sign of trends. He stated the encumbrances were merely a necessary task.

[POSTPONED] Update – Quarterly Financial Reports – 2024 Q4

Mr. Spalding stated the reports usually would be presented at the first meeting in February, but they were not complete yet due to the City's cyber event in November 2024.

Update – Subsidy Payment to Park Program Fund

Ms. Kesner stated every year the Parks Operating Fund includes a line item for a subsidy to the Park Program Fund. She stated in 2024 the total subsidy was \$65,691.00. She stated of the total, \$11,323.00 was designated for the golf program.

Mr. Light stated the vacant sponsorship manager position had been filled. He stated Erin Brown came to the City with much experience. He stated the position would most likely be rebranded as a partnership manager. He stated with more partnerships, the subsidy would shrink or even be unnecessary. Mr. O'Connor agreed. He stated the goal was attainable. Mr. Light stated the position would integrate the needs of Parks, the Mayor's office, and the Economic Development department, after asking businesses what would help them.

Ordinance – Fire Cumulative Capital (FCC) Fund Tax Rate Reset for Pay 2026

Mr. Spalding stated this ordinance concerned a structured, routine requirement in state law. He stated the maximum tax rate for the Fire Cumulative Capital Fund was \$0.0333. He stated if the City set its rate below the maximum, the lower rate would become its maximum the next year, unless the fund was re-established. He stated because the City did not set its tax rate at the maximum, it must re-establish the fund each year to preserve flexibility to set the tax rate as it sees fit. He stated the Fire Cumulative Capital Fund was not a new tax, but it was a part of the City's maximum levy and the City's tax rate. Mr. O'Connor asked if there was another fund requiring the same type of action. Mr. Spalding replied the Cumulative Capital Fund used to require the same action, but the requirement was repealed a few years ago. The committee agreed to recommend adoption of Ordinance #03-02-25.

Update – Semi-Annual Debt Summary Report

Mr. Spalding displayed the report. He stated the report was intended to keep the committee informed of the City's debt. He reviewed the tables. He stated there was no total because the groups listed were not similar. He stated subtotals of similar groups were included. He stated the report was grouped by the sources of funding. He stated debt funded through multiple sources were grouped at the end of the report. He stated developer-purchased bonds did not place any obligation on the City, but they were still considered official debts of the City and had to be reported on Gateway. He stated reporting those debts tended to affect the City's credit rating. There was a brief discussion of various debts. Mr. O'Connor stated the City had done an overall good job of managing its debt. He stated current interest rates were not likely to drop, so development may slow. He asked what would happen to Borg Warner's obligation to the City if it moved from its current location. Mr. Light replied the obligation was tied to the property, so the obligation would remain.

Review of Agenda Addendum

Mr. Spalding stated there was one addition to the addendum. He stated an annual report to Council of the City's fund balances was required by state law. He stated the report would be presented on February 25.

Fiscal & Debt Actions on Council Meeting Agenda – February 11, 2025

There were no fiscal or debt actions on the Council agenda.


Other Business at Discretion of Chairman

There was no other business.

The meeting adjourned at 9:16 a.m.



MIKE DAVIS, COMMITTEE CHAIR



EVELYN L. LEES, CLERK
CITY OF NOBLESVILLE