

**DUBLIN CITY COUNCIL
FINANCE COMMITTEE
MONDAY, MARCH 18, 2026 - 4:30 p.m.
5555 PERIMETER DRIVE
COUNCIL CHAMBER**

Meeting Minutes

Ms. Alutto called the Finance Committee meeting of March 18, 2026 to order at 5:00 p.m.

Committee members present: Ms. Alutto (Chair), Mr. Keeler and Ms. Johnson

Staff members present: Ms. O'Callaghan, Mr. Rubino, Mr. Barker, Ms. Murray, Ms. Willis, Mr. Hammersmith, Mr. Hendershot, Mr. Jiang, Ms. Hunter.

APPROVAL OF MINUTES

Ms. Alutto moved to approve the minutes of the February 23, 2026 Finance Committee meeting. Ms. Johnson seconded the motion.

Vote on the motion: Ms. Johnson, yes; Ms. Alutto, yes; Mr. Keeler, yes.

City of Dublin's Enterprise Fund Policy

Mr. Rubino began the presentation by explaining that this Enterprise Fund Policy discussion was a continuation of conversations that had occurred during budget development and when water and sewer rate approvals were presented to Council in the fourth quarter of the previous year. He outlined that the administration had agreed to present the topic in more depth to discuss the City's current policy regarding enterprise funds and best practice considerations.

Mr. Rubino explained that enterprise funds are used to account for operations that are financially operated in a self-sustaining manner, with revenue and resources covering operating maintenance and capital upgrades for water and sanitary sewer services. He emphasized that these costs are primarily covered through user charges and that the structure follows Government Finance Officers Association (GFOA) best practices.

The presentation highlighted the benefit principle in public finance, where services benefiting the general public are funded with taxes or common revenue, while services providing specific user benefits like water and sanitary systems are fee-supported. This differs from general city services that share revenue sources like income tax across various programs.

Mr. Rubino detailed that Dublin currently operates four enterprise funds: water fund (610), water construction fund (612), sewer fund (620), and sewer construction fund (622). He provided historical context, noting that sewer fees were established in 1977, with various organizational changes occurring through the 1980s and 1990s that separated and refined the fund structure.

The combined budget for water and sewer operations in 2026 totals \$7.5 million, with \$5.2 million for operating expenditures and \$2.3 million for maintenance and new infrastructure enhancements.

Ms. Murray presented trend data showing combined revenues and expenditures for the enterprise funds from 2021 through 2025. She explained that the majority of revenue comes from utility surcharges and capacity charges, with additional income from fire hydrant permits, interest income, and bond proceeds. She noted that in their expenditure analysis, they had omitted manuscript debt repayment from 2024 to provide an apples-to-apples comparison.

Mr. Keeler asked about the data presentation, noting that while utility surcharges and capacity charges should show an upward trend, other revenue sources like bond proceeds are sporadic. He expressed that it would be helpful to see more detailed breakdowns of consistent versus volatile revenue categories, though he acknowledged they could maintain a higher-level discussion for the current meeting.

Ms. Murray continued with forecast data from 2026 to 2030, showing the combined funds' projected revenues and expenditures including the manuscript debt repayment. She then presented separate five-year forecasts for water and sewer funds individually, showing different financial pictures for each system.

Mr. Rubino noted the interesting contrast between the combined view showing slight upward trends in fund balance versus the individual fund perspectives. When separated, the water system showed significant year-over-year growth in available resources and operating surplus, particularly when considering the manuscript debt repayment. The sewer system, however, showed a more structurally balanced picture with smaller margins when including capital investment needs and debt service.

The presentation then addressed other uses of enterprise fund resources, specifically the manuscript debt transaction related to the SportsOhio land acquisition. Mr. Rubino explained that the City had used \$15.1 million from available resources in both funds as an internal loan, with \$10.5 million from the water fund and \$4.6 million from the sewer fund. This was actualized through debt issuance, with the funds essentially serving as investors in the financing transaction.

The manuscript debt requires five more years of principal payments at \$3.4 million per year, being paid back proportionally with interest. Mr. Rubino described this as a unique but innovative approach that allowed the City to leverage idle resources for the Sports Ohio transaction.

When asked about restrictions on manuscript debt usage, Mr. Rubino explained that it generally applies to anything the City can do that furthers typical capital needs. He noted that land acquisition is a common capital investment that cities typically issue general obligation debt for, making it appropriate for this transaction.

Current outstanding debt was presented, showing \$18.3 million for sewer projects and just under \$5 million for water projects, reflecting the larger capital investment needs in the sanitary sewer system.

Mr. Urbancsik detailed the current 2026-2030 Capital Improvement Program (CIP), showing \$20 million allocated for sewer projects and noting that significant portions of major projects like Glick Road (\$7.9 million) and Avery Road (\$3.9 million) remain unfunded. He mentioned additional Indian Run sanitary sewer improvement projects pending discussions with Columbus water, with \$5.6 million planned for future debt issuances and an additional \$69.2 million in potential future projects not included in the current CIP.

Mr. Rubino clarified that the \$69.2 million represents full build-out scenarios that the City is not necessarily planning to undertake immediately, but provides context for long-term planning purposes.

Ms. O'Callaghan elaborated on the forward-looking project identification process, explaining that Mr. Hendershot does excellent work forecasting projects needed for maintenance and capacity increases. She noted that many important improvement projects address maintenance needs and help increase capacities to advance development in western areas of the City.

Ms. Alutto expressed appreciation for this comprehensive view and indicated that during CIP processes, there would likely be requests to see projects in out-years that have been contemplated but not necessarily planned.

For water infrastructure, Mr. Urbancsik presented \$4.5 million allocated in the 2026-2030 CIP, with some projects budgeted directly from the water fund and others planned for future debt issuances. He noted an additional \$9.3 million in potential water service expansion projects.

Total planned debt issuances across the CIP period amount to \$9.8 million over five years, which would add approximately \$800,000 in new annual debt service.

The presentation included a comprehensive debt outlook through 2045, showing current outstanding water and sewer debt alongside planned future debt issuance. Mr. Rubino explained that this typical declining trend in outstanding principal provides opportunities to layer new debt issuance as needed, and that these enterprise fund debts count toward the City's overall debt capacity limitations since they use the City's general obligation credit.

Ms. Murray then presented GFOA best practices, noting that Dublin meets several recommendations including treating enterprise funds like businesses with rate structures that cover service costs, conducting strong financial planning and analysis through multiyear forecasting, and maintaining comprehensive capital asset management.

However, she identified two additional best practices for consideration: establishing defined fund structures and working capital targets. She noted that comparable cities like Westerville, Upper Arlington, and Gahanna use various models for their utility enterprise funds, suggesting flexibility in approach while remaining aligned with peer cities.

The presentation emphasized that fund balance targets should be intentional, informed by infrastructure risk, and documented to provide guidance for future rate considerations, capital budgeting, and debt decisions.

Mr. Rubino outlined several key considerations moving forward. The last rate study was completed five years ago, and a new study will begin in spring 2026 with recommendations coming to Council in early fall. He suggested potentially moving to a multi-year rate plan with 2-3 year approvals rather than annual adjustments.

He noted the need to develop a fund balance policy specifically for enterprise funds, likely using a working capital approach rather than a set percentage like the general fund. This would be integrated into the budget development process for fiscal year 2027.

Additional considerations included refining the five-year capital plan with discussions about prioritizing new development versus unserved areas, reviewing debt management policy to better integrate debt capacity with CIP projects, and addressing the accumulated resources in the water fund that exceed identified project needs.

Mr. Rubino raised questions about potentially allowing resource transfers between water and sewer funds given their similar purposes, and suggested standardizing capital expenditure practices between the funds for efficiency.

Ms. Alutto indicated that operational and administrative decisions about fund structure could be brought forward with staff recommendations, emphasizing the importance of consistency between the two fund types. Mr. Keeler agreed that staff should determine what makes most operational sense while maintaining consistency.

Regarding prioritization between system expansion and current needs, Ms. Alutto suggested this warranted a full Council workshop discussion rather than committee-level direction.

Mr. Keeler focused on the self-sustaining business model principle, emphasizing the importance of up-to-date rate studies that factor in capital improvements, not just ongoing operations. He drew an analogy to HOA fees that must account for future capital needs to avoid special assessments.

Mr. Keeler suggested starting with a 50 percent fund balance policy similar to the general fund as a conversation starting point, noting that current fund balances could potentially support capital improvements. He calculated that with the sewer fund's \$6.8 million balance and \$7.2 million in expenditures, approximately \$3.1 million above the 50 percent reserve target could be available for spending.

He emphasized using manuscript debt creatively but primarily focusing on using enterprise fund resources for their intended purposes, noting that the \$18.5 million being repaid through manuscript debt could significantly address capital improvement needs.

Mr. Keeler also observed that enterprise fund revenues are less volatile than general fund income tax revenues, suggesting that a fund balance target below 50 percent might be appropriate, referencing the typical 20-50 percent range for government fund balance policies.

Ms. Johnson inquired about GFOA recommendations for fund balance policies. Mr. Rubino explained that GFOA provides general guidance about using capital needs for

targeting rather than specific percentages, noting that enterprise fund balance policies are less commonly adopted than general fund policies.

Ms. Johnson asked about the rate study process, and Mr. Hammersmith explained that the previous study thoroughly examined operating and capital expenditures and projected rate needs over time. He noted that 4-5 year intervals between studies are not unusual, though longer gaps can result in more significant rate increases that create difficult conversations.

Ms. O'Callaghan added context about the importance of regular rate study schedules to avoid dramatic increases, noting that previous longer gaps had led to more challenging rate adjustment discussions.

Ms. Alutto supported conducting necessary rate studies with potential interim year adjustments to avoid large increases, similar to other City fee structures. She suggested asking consultants to recommend appropriate frequency and interim period handling.

Regarding enterprise fund balance policy, Ms. Alutto expressed support for a 50 percent target or staff recommendations, particularly given the manuscript debt tool's availability.

She emphasized updating debt management policy with guardrails around manuscript debt prioritization, suggesting a decision tree approach that ensures dollars flow first to health and safety needs, particularly sewer infrastructure, before other uses.

Mr. Keeler reinforced the debt capacity constraints, noting that rating agencies had indicated the City could incur up to \$50 million in debt, with enterprise fund debt counting against that limit. He advocated for using available fund resources and the returning manuscript debt payments rather than additional borrowing.

He also noted that enterprise fund revenues are more stable than general fund income tax revenues, suggesting fund balance requirements could be less conservative than the general fund's 50 percent target.

Ms. Alutto agreed with staff bringing recommendations for committee reaction and indicated support for a combined enterprise fund balance policy.

Mr. Rubino concluded the enterprise fund discussion by asking about committee receptiveness to a combined 50 percent policy for enterprise funds, which received positive response from the committee.

The presentation then shifted to the EV charger program as another enterprise fund use case. Mr. Rubino explained that this program was presented to Council in late 2025 with a funding approach mixing grants, city resources, and financing proceeds for initial project costs.

The EV charger program would operate under the same self-sustaining model as other enterprise funds, with all revenues and expenditures tracked through a single fund. The city anticipates establishing a new enterprise fund for this program when it goes live.

Considerations include developing strategy for how the budget fits the enterprise model, establishing the new fund potentially in conjunction with user fee creation, ensuring

comprehensive revenue coverage for the program including maintenance and expansion, and integrating it into annual budget processes.

Mr. Keeler supported the enterprise fund approach for EV chargers, noting the manageable scale of adding 1-2 chargers annually at approximately \$25,000 each. He referenced private sector charging rates of 35 cents per kilowatt hour and suggested the City should not necessarily discount rates since users are often visitors rather than residents.

Mr. Keeler emphasized starting slowly given uncertain demand trends and lower current utilization rates, suggesting the 2-per-year pace allows for evaluation and adjustment as the market develops. He preferred allowing private sector supplementation rather than aggressive City expansion.

Ms. Johnson asked about current consumption data, which had been presented in late 2025. Ms. O'Callaghan confirmed that most existing chargers were grant-funded through diligent pursuit of opportunities, though grant availability has diminished.

Ms. Willis explained that upcoming EV charging cohorts would provide additional funding opportunities and unusual incentives from charging companies. She detailed the maintenance approach using ChargePoint contracts for public chargers and noted some challenges with other providers in parking garages.


Ms. Johnson inquired about technology turnover and maintenance requirements. Ms. Willis explained their owner-operator model where the city owns equipment but contracts maintenance and updates to ChargePoint, providing protection against rapid technology changes.

Ms. Alutto supported establishing an enterprise fund for EV charging, potentially broadened for other renewable energy purposes. She endorsed aligning fund creation with the September fee structure development and supported the 2-per-year expansion approach given political and market uncertainties.


She emphasized that revenues must cover all program costs, integration into annual budget processes, and continued policy refinement as the program develops. She suggested annual finance committee reviews for the next 4-5 years to track trends and performance.

Mr. Rubino concluded by noting that the incremental approach to charger expansion helps with rate structure development and that additional financing options exist if future expansion becomes more ambitious.

There being no further business to come before the Committee, the meeting adjourned at 6:10 p.m.



Chair, Finance Committee



Clerk of Council