



Council Minutes – Regular Meeting

March 17, 2020

CALL TO ORDER:

Mayor Spalding called to order the New Albany City Council Meeting of February 18, 2020 at 6:35 pm at the New Albany Village Hall, 99 West Main Street, New Albany, Ohio. Staff attending were City Manager Joseph Stefanov, Finance Director Bethany Staats, Police Chief Greg Jones, Deputy Development Director Mike Barker, Planning Manager Steve Mayer, and Clerk of Council Jennifer Mason. Staff tele-present were Law Director Mitch Banchefsky, Administrative Services Director Adrienne Joly, Community Development Director Jennifer Chrysler;

Mayor Spalding led the assemblage in the Pledge of Allegiance.

ROLL CALL:

The following Mayor/Council Members answered Roll Call:

Mayor Sloan Spalding	P
CM Colleen Briscoe	P – tele-present
CM Marlene Brisk	P – tele-present
CM Michael Durik	P
CM Chip Fellows	P
CM Kasey Kist	P
CM Matt Shull	P – tele-present

ACTION ON MINUTES:

Mayor Spalding asked if council had reviewed the proposed March 3, 2020 regular meeting minutes and asked if there were any additions or corrections. Clerk Mason told council that City Manager Stefanov pointed out a typo after distribution, which she fixed on the original. Hearing no further changes, Council Member Durik moved to adopt the March 3, 2020 regular meeting minutes. Mayor Spalding seconded and council voted with seven yes votes to approve the March 3, 2020 regular meeting minutes.

ADDITIONS OR CORRECTIONS TO THE AGENDA:

Mayor Spalding moved to amend the agenda to shift the presentation of Resolution R-13-2020 until after Resolution R-15-2020, and to strike the executive session. Council Member Fellows seconded and council voted with seven yes votes to amend the agenda.

HEARING OF VISITORS:

NONE

BOARDS AND COMMISSIONS:

PLANNING COMMISSION: Mayor Spalding reported that some members of the PC board and public were present and some attended electronically. The PC tabled a variance for the Tidewater zoning text. The PC approved a Final Development Plan and variances for a Sheetz gas station and convenience store at State Route 62 and Walton Parkway. The PC approved the conditional use

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application to allow for manufacturing and production use for properties located north of and adjacent to Innovation Campus Way West by the VanTrust group, formerly the Strauss trust properties. There was a lot of public participation on the conditional use. The nearby neighbors brought counsel who filed paperwork to object to the conditional use application.

PARKS AND TRAILS ADVISORY BOARD: No meeting

ACHITECHTURAL REVIEW BOARD: Council Member Shull reported that the ARB held their organizational meeting, re-electing Alan Hinson as Chair, Jonathan Iten as Vice Chair, and Jim Brown as Secretary. The board requested that Law Director Mitch Banchefsky look into whether their organizational meeting could be moved earlier in the year.

BOARD OF ZONING APPEALS: No meeting.

ECONOMIC DEVELOPMENT COMMISSION: No meeting.

PUBLIC RECORDS COMMISSION: No meeting.

CEMETERY RESTORATION ADVISORY BOARD: Clerk Mason reported that the CRAB held their organizational meeting, re-electing Brian Zets as Chair, Victor Wilson as Vice Chair, and Mary Fee as Secretary. The board continued work on the historical sign. The board would not meet in April.

CORRESPONDENCE AND COMMUNICATION:

NONE.

SECOND READING AND PUBLIC HEARING OF ORDINANCES:

NONE.

INTRODUCTION AND FIRST READING OF ORDINANCES

ORDINANCE O-04-2020

Mayor Spalding read by title APPROPRIATION AMENDMENT ORDINANCE

AN ORDINANCE TO TRANSFER FUNDS FROM THE GENERAL FUND AND TO AMEND APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES DURING THE FISCAL YEAR ENDING DECEMBER 31, 2020.

Finance Director Bethany Staats reminded council that they had elected to postpone transfers to the General Fund until the 2019 numbers were finalized. Upon the close of Fiscal Year 2019, the General Fund had an excess, above the target reserve of 60%-65% of operating expenditures, of \$6 million. Since 2014, council had approved transfers from the General Fund to build up balances with the Severance, Liability, Infrastructure, Replacement, and Capital Equipment funds. Funding had also gone to various approved capital projects.

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This ordinance was requesting an increase to the General Fund of \$3.5 million. \$250,000 would pay for the school playground pavilion. \$3.25 million would be transferred as follows - \$750,000 to the Water & Sewer Fund and \$2.5 million to the Capital Improvement Fund. The \$750,000 would be appropriated for the Blacklick Creek Trunk Sewer (BCTS) line Phase 3. Staff was not requesting to appropriate the \$2.5 million.

Staff was not proposing to transfer the remaining monies out of the General Fund due to the coronavirus outbreak. Towards the end of the 2020, Director Staats expected to know whether the city would need that reserve. Staff also wanted to monitor income taxes. Director Staats intended to conduct an analysis of the Infrastructure Replacement Fund by the end of 2020 to determine how much should be put annually into that fund.

This ordinance contained an additional appropriation increase of \$15 million for the BCTS part 2B. This project would complete the commitment that New Albany made to the City of Columbus by 2021. New Albany was seeking additional funding through the Ohio Water Development Authority (OWDA) as it had with previous phases of the project.

Council Member Briscoe asked and Director Staats replied, under the current budget, the city had sufficient funding for the projects slated for 2020. Looking further into 2021 and beyond, Director Staats wanted to make sure the city was putting aside enough money for capital projects going forward.

Council Member Shull asked and Director Staats confirmed that the appropriation for the \$250,000 for the pavilion included the \$40,000 AEP grant.

Mayor Spalding set the ordinance for second reading at the April 7, 2020 council meeting.

ORDINANCE O-05-2020

Mayor Spalding read by title AN ORDINANCE TO APPROVE THE FINAL PLAT FOR TWO SINGLE FAMILY LOTS ON 5.28 +/- ACRES FOR THE “TIMMONS SUBDIVISION” LOCATED AT 5055 JOHNSTOWN ROAD.

Planning Manager Stephen Mayer described the location of the property off of Johnstown Road. The applicant was proposing to split the parcel into two equally-sized lots, each being 2.64 acres. The property was zoned Limited R1. Per the zoning text, no more than one lot could be created, so this division met density, lot size, and frontage requirements. This was technically a subdivision. The platting had to follow all the same requirements as a conventional subdivision, including open space, which was achieved through an 85 foot preservation zone along the back. The owner would have to provide all of the infrastructure for the subdivision. Both parcels were served by utilities. The applicant was requesting a variance to the subdivision regulations to allow their gravel driveway to remain and not to be improved to a paved driveway.

This plat was reviewed by the Parks and Trails Advisory Board and the Planning Commission (PC) in the fall of 2019 and both recommended approval. Aaron Underhill, attorney for applicant, was present to answer questions.

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Council Member Briscoe asked and Manager Mayer replied that the applicant was proposing to pay a fee in lieu for sidewalk. The frontage where a sidewalk would go was not identified on the city's Leisure Trail Master Plan as a future connection area. Additionally, there was private property to the west. In order to install a path, the city would have to acquire easements. The closest planned path would be by the creek which ran behind the new parcels. City Manager Stefanov recalled that the trail along US62 had already been constructed across the front of the property at the time the Oxford Subdivision was completed. Manager Mayer stated that, at the time of rezoning the property, the homeowner entered into a right-of-way dedication agreement which allowed the city to acquire right-of-way two years after a building permit was issued. Once home construction started, the city would have two years to decide if it wanted to acquire right-of-way along the new parcel's frontage for a total of 26 feet which engineers believed would accommodate right-of-way and a sidewalk connection, if desired.

City Manager Stefanov asked and Manager Mayer agreed that the plat contained an 85 foot preservation zone which ran along the tributary of Blacklick Creek that, if a leisure trail were extended to the property's edge, the owner would provide the city an easement and allow the installation of the trail along the back of the property. Mayor Spalding recalled this issue being discussed by the PC and the homeowner being on board with that piece.

Council Member Durik asked and Manager Mayer told council that the owner learned that this property was subject to a plat from 1878 which established the shared driveway. City staff believed the driveway had been in existence since that time. This was further discussed at the PC meeting. Staff didn't believe that the driveway posed any addition risk or kept the fire department from accessing the properties that shared the driveway. Council Member Durik noted the driveway would be important to future homes and fire department equipment was considerably larger now compared to 1878.

Mayor Spalding set the ordinance for second reading at the April 7, 2020 council meeting.

READING AND PUBLIC HEARING OF RESOLUTIONS

RESOLUTION R-13-2020

Mayor Spalding read by title A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A COMMERCIAL CREDIT CARD AGREEMENT WITH HUNTINGTON NATIONAL BANK FOR PURCHASE CARD SERVICES.

Clerk's note - this resolution was considered after R-15-2020 per the amendment to the agenda.

Finance Director Bethany Staats told council that, now that the city's new financial software was up and running, staff would be able to integrate credit card use and adopt a new policy. House Bill 312, passed in 2018, contained new requirements enforced by the state auditor's office. There were two different types of policies to choose from. New Albany selected the "compliance officer model," where the compliance officer had internal control over the credit cards and individuals within departments were able to physically keep the cards. The Auditor of State's bulletin requested compliance by February of 2019, but auditors

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allowed for extra time knowing that the city was implementing new software and coming forward with this policy. Director Staats reviewed the features of the “compliance officer model.”

This policy was more detailed, included clearer instructions, and contained other required language. Director Staats noted that the old policy, while more simplistic, met many of the auditor’s requirements. She reviewed what constituted misuse of a credit card and the penalties of misuse. Director Staats talked about procedures for submitting itemized receipts and how she expected the procedures would be adapted in the Huntington Credit Card program.

Council Member Fellows asked and Director Staats answered that approximately 20 employees held city credit cards. Generally, the employee cards were limited to \$500 of purchases per month. Department credit cards were limited to \$2,000 per month. The cards could be used for things like supplies, travel, and one-time expenditures. Sometimes an individual would request a temporary increase for a specific purchase. Council Member Fellows asked and Clerk Mason confirmed that she utilized a city credit card for some council-related purchases.

Council Member Brisk asked and Director Staats replied that the cash rebate from the Huntington Credit Card program would go into a depository for the city’s use. The rebate started at 50 basis points and could potentially accrue up to 1% of spending based on certain levels. Huntington Bank’s analysis estimated that the city’s annual rebate would total around \$46,000. Director Staats noted the city’s bank fees, including merchant fees, custody account fees, and other fees came to \$27,000 to \$28,000. She hoped the credit card program would help the city gain more than it was charged in bank fees.

Director Staats further reviewed Huntington Credit Card program with council. Part of the rebates from credit card usage came from a vendor match. Huntington’s program would help the city find large vendors that accepted the card. One of the benefits of Huntington’s program was the card holders’ ease of use. Huntington’s program integrated expenditure reporting with the city’s software and employees could upload receipts at no additional cost. Council Member Fellows asked and Director Staats confirmed that employees could take pictures of receipts with their phone and immediately upload them. Another benefit was that Huntington’s program didn’t change the city’s invoicing processes. Director Staats appreciated the receipt process, the rebate program, and the smoother work flow.

Director Staats stated she compared Huntington’s credit card program to US Bank’s program, preferring Huntington’s customer service experience. Park National Bank did not offer a similar credit card program. Key Bank did not respond to the city’s request for information.

Mayor Spalding moved to adopt the revised Credit Card Policy for the City of New Albany as proposed by Director Staats (attached). Council Member Fellows seconded and council voted with seven yes votes to approve the motion.

Mayor Spalding moved to adopt the resolution. Council Member Kist seconded and council voted with seven yes votes to approve Resolution R-13-2020.

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RESOLUTION R-14-2020

Mayor Spalding read by title A RESOLUTION TO APPROVE A VARIANCE TO CODIFIED ORDINANCES 1187.02(A) OF THE CITY SUBDIVISION REGULATIONS TO NOT REQUIRE THE INSTALLATION OF STREET INFRASTRUCTURE IMPROVEMENTS FOR THE TIMMONS PLAT AT 5055 JOHNSTOWN ROAD, AS REQUESTED BY LESLIE TIMMONS C/O AARON UINDERHILL.

Planning Manager Stephen Mayer told council that this legislation would grant a variance so that the owner would not have to install street infrastructure improvements. The applicant was requesting to keep the existing gravel drive. The property was subject to an 1878 plat which had successfully served this property and others since that time. Manager Mayer described the history of the property. If the city were to require the improvement of the front of the drive, it could result in an inconsistent paved and gravel conditions. The owner agreed that the city could obtain right-of-way and improve the driveway in the future, if desired. This driveway was not identified in the city's 2014 Strategic Plan Thoroughfare Plan as an existing or future street. Planning Commission recommended approval of this variance in the fall of 2019.

Council Member Durik asked and Manager Mayer confirmed that the city had no obligation to maintain the gravel road. Council Member Kist asked and Manager Mayer replied that the road was currently not named. It was a private shared drive.

Mayor Spalding moved to adopt the resolution. Council Member Durik seconded and council voted with seven yes votes to approve Resolution R-14-2020.

RESOLUTION R-15-2020

Mayor Spalding read by title A RESOLUTION TO APPROVE A FEE IN LIEU FOR SIDEWALK CONSTRUCTION AND PARKLAND DEDICATION FOR THE TIMMONS PLAT AT 5055 JOHNSTOWN ROAD AS REQUESTED BY LESLIE TIMMONS C/O AARON UNDERHILL.

Planning Manager Stephen Mayer told council that the applicant was proposing to pay the parkland dedication fee in lieu for the newly created lot. The applicant provided an appraisal from 2018. That value came in low, so they were proposing applying a per-acre average value of \$150,000 to the 2,400 square feet of required parkland, which equated to a fee in lieu of \$7,500. The Parks and Trails Advisory Board recommended approval of the proposed parkland fee in lieu in the fall of 2019.

The applicant was also proposing a fee in lieu for sidewalk in front of the newly created lot. The owner proposed \$18 per linear foot for 155 feet, totaling \$2,790. The proposed amount was consistent with previously approved amounts for this purpose.

Based on the location of the plat, staff was recommending the fee in lieu for parkland and sidewalk rather than requiring installation.

Mayor Spalding opened the Public Hearing. Hearing no comments or questions from the public, he closed the Public Hearing.

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Mayor Spalding moved to adopt the resolution. Council Member Fellows seconded and council voted with seven yes votes to approve Resolution R-15-2020.

STANDING COMMITTEE REPORTS:

- A. Finance Committee: No report
- B. Safety Committee: No report.
- C. Public Utilities: No report.
- D. Service and Public Facilities Committee: No report.
- E. Planning and Economic Development Committee: No report.
- F. Administration Committee: No report.
- G. Grants and Non-Profit Funding: No report.

REPORTS OF REPRESENTATIVES:

- A. Council Representative to MORPC: City Manager Stefanov reported that the MORPC meeting was shorted and included phone participants due to COVID-19 concerns. MORPC hoped to complete the Regional Housing Strategy in May. MORPC was monitoring Senate Bill 285, the “Hands-Free Ohio” bill, to reduce distracted driving, and the City of Columbus’ “Vision Zero” legislation which aimed to cut down transportation fatalities. MORPC was accepting comments on the 2020-2050 Metropolitan Transportation Plan draft through April 3rd. The 2021-2024 Transportation Improvement Program was progressing and accepting comments through April 27th.
- B. Council Representative to Joint Parks and Recreation: No report.
- C. Council Representative to New Albany Plain Local Schools: Council Member Brisk reported the board held an emergency meeting on March 15th. The schools were closed except for a very small group of key personnel. Teachers were preparing to teach remotely effective March 19th. Classes and any kind of extracurricular activities were closed through April 5th. The board was communicating with families that they strongly believed that schools would not reopen on April 6th, and they were not expecting to reopen before the end of the school year. The schools were working with the New Albany Food Pantry to cover families who depended on school breakfasts and lunches.
- D. Council Representative to Plain Township: No report.

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REPORTS OF CITY OFFICIALS:

- A. Mayor: Mayor Spalding thanked city communication staff for their hard work keeping the community informed. Mayor Spalding and Police Chief Greg Jones had just recorded a video with Public Information Officer Josh Poland introducing the city's new web page to the community.
- B. Clerk of Council: Clerk Mason reminded council members to file their Ohio Ethics Commission Financial Disclosure Reports before the May 15, 2020 deadline.
- C. Finance Director: No report
- D. City Manager: City Manager Stefanov and council discussed upcoming legislation and council meetings. He polled council about conducting all business at a single April meeting and eliminating the need for a second meeting on April 21st. He suggested not having another meeting until late May, allowing more time for the COVID-19 situation to pass. Council supported this plan. Council discussed quorum requirements. City Manager Stefanov stated that staff were encouraging the public not to conduct business at city departments in person, but to use the internet, email, or phone, when possible.

Council Member Fellows asked and City Manager Stefanov answered that staff were working on a process for plans to be dropped off and picked up. Four employees were working from home, prioritizing those who were at a greater personal or family health risk. Work from home accommodations were being made for those with child care issues. City Manager Stefanov wanted to reassure residents that the city was open for business and providing services. The city was minimizing contact, but still operating.

Council Member Durik asked and City Manager Stefanov replied that he had spoken to the Founders Day organizers and they had paused plans. They agreed to reconvene before the end of March to make a decision about whether Founders Day and the Rose Run Grand Opening could go forward. City Manager Stefanov was anticipating cancelation. Council Member Fellows suggested rescheduling the Grand Opening to July 4th. Council Member Durik understood the situation was fluid and expressed that a sooner decision would better for everyone.

- E. City Attorney: Law Director Banchevsky told council that Channel 6 was reporting that COVID-19-related social distancing was recommended to continue through April or May. He was attending this meeting remotely as he and his wife were considered high-risk due to age and medical conditions. He had written an opinion and provided it to City Manager Stefanov stating that, during this pandemic, council members could attend and participate in meetings via live-streaming. The Ohio Attorney General seemed to support this attendance their March 13th memo. Several communities around Central Ohio had actually closed their meetings to the public. On the possibility of infection, New Albany city council could do the same and advise the public to attend via live streaming or other method. Public notice and minutes would still apply.

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President Trump and Governor DeWine/Doctor Acton had declared a national and state emergencies. Law Director Banchefsky continued to communicate with other city law directors around the state and had found conflicting opinions regarding open meetings. Ultimately, Law Director Banchefsky stated he came to a common sense opinion that would provide protection to council, staff, and the public during the emergency. This should be viewed as a short-term emergency option. Hopefully, the state legislature would enact an emergency exception to the Open Meetings Act. If there were major pieces of legislation, like a bond issuance or a major economic development ordinance, he did not recommend utilizing emergency procedures. Law Director Banchefsky was also talking with City Manager Stefanov about rescheduling upcoming board and commission meetings and Mayor's Court until more was known about the nature and extent of the pandemic.

Mayor Spalding requested that Law Director Banchefsky preserve a copy of his opinion so that, during the audit period, the city could explain their efforts to comply with the law. Mayor Spalding stated that the Auditor of State issued an advisory stating that the auditors would be working remotely. In that advisory, they advised communities to seek legal counsel and comply with the law and, where it was impossible or impractical to do so, to document the efforts to comply with legal obligations. Through on-line assisted meetings, the city was doing everything within its authority and creativity to allow the public and council members to actively engage in meetings.

Council Member Fellows supported suspending board and commission meetings, especially given the robust attendance at the last Planning Commission meeting. Council Member Brisk asked and City Manager Stefanov answered that staff had been doing extra-heavy cleaning on all of the surfaces, doors, door handles, and railings, and spraying upholstered furniture. Staff was doing their best to keep council chambers thoroughly clean.

Council Member Fellows asked and City Manager Stefanov replied that Mount Carmel Health was planning to open a COVID-19 drive-thru testing center behind their building on Smiths Mill Road. The New Albany Police Department had been contacted to provide traffic control as necessary. Police Chief Greg Jones said Mount Carmel would be providing officers with personal protection equipment. Mount Carmel's tents were already set up. Council Member Fellows recommended being prepared for a large turn-out due to panic.

Police Chief Jones reported that, staffing-wise, the city was doing well, partly due to canceled vacations and the school buildings being closed. Staffing was being reorganized to cover all of the shifts equally. They could also pull in detectives for road coverage and other special positions. Council Member Fellows recommended notifying the public if officers were going to wear hazmat-style suits. Police Chief Jones said Mount Carmel had been communicating well with the city. Law Director Banchefsky added that people couldn't just drive up to be tested, they still needed a doctor's referral. Council further discussed signage or other public information to reduce frustration. Police Chief Jones stated that Mount Carmel had some experience with opening drive-thru testing and best practices were developing, however, officers were ready to make adjustments as needed.



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Mayor Spalding moved that the city extend the authority of the city manager to make purchases for health and safety needs not to exceed \$100,000. Council Member Durik seconded. Council Member Briscoe asked how long the authority would last. Mayor Spalding replied that it would last during the pendency of the governor's emergency declaration. Council voted with seven yes votes to adopt the motion.

POLL FOR PUBLIC COMMENT:

NONE.

POLL FOR COUNCIL COMMENT:

Mayor Spalding thanked everyone for participating in the meeting, some in the new electronic format.


OTHER BUSINESS:

NONE.

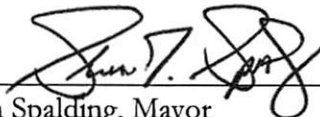
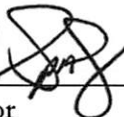
ADJOURNMENT:

With no further comments and all scheduled matters attended to, Mayor Spalding moved and Council Member Durik seconded to adjourn the March 17, 2020 regular council meeting at 7:47 pm.

ATTEST:



Jennifer H. Mason, Clerk of Council

Sloan Spalding, Mayor

4/7/20
Date

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City of New Albany Credit Card Policy

Bethany D. Staats, CPA

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Appendix A

Appendix B

I. Purpose:

A financial policy helps facilitate City of New Albany purchases and establishes guidelines for the distribution and use of credit cards issued by the City of New Albany. This policy provides internal controls to ensure that employees comply with all applicable laws and policies. This policy is applicable to all City of New Albany Employees that utilize a credit card in the course of employment. The goal of New Albany's Commercial Card Program is to improve the efficiency of high volume, low dollar amount purchases, while reducing transaction costs and maintaining integrity and control of the purchasing process. This program is intended to maintain compliance with House Bill 312 – "Amendments to Regulate the Usage of Credit and Debit Cards".

Note: The use of city credit cards is not intended to by-pass the purchase order policies or expectations, but is intended to streamline the acquisition and accounts payable procedures for the City of New Albany.

II. Definitions:

"Political subdivision" means a body corporate and politic that is responsible for government activities in a geographic area smaller than that of a state.

"Credit card account" means any bank issued credit card account, store issued credit card account, financial institution-issued credit card account, financial depository-issued credit card account, or any other card or credit account allowing the holder to purchase goods or services on credit or to transact with the account, and any debit or gift card account related to the receipt of grant moneys.

"Debit card account" means a card issued by a financial institution which allows the holder to transfer money electronically to another bank account when making a transaction.

III. Policy:

This policy applies to all (i) payment cards, checks or other payment instruments associated with a credit account issued by a financial institution or a retailer, and (ii) payment cards related to the receipt of grant funds. All such cards and instruments are referred to herein as "credit cards".

a. The City of New Albany credit card is issued solely for the purpose of conducting City business and is not to be used for personal expenses. Personal and/or unauthorized usage of the City credit card shall be immediate grounds for revocation of the credit card. In addition, the employee may be subject to disciplinary action up to and including termination of employment.

b. All purchases using a City credit card must fall within the pre-approved budgets.

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- c. Employees must surrender all City of New Albany credit and procurement cards upon separation of employment from the City of New Albany or when requested by the City Manager or Finance Director.
- d. Reimbursement to the City of New Albany for any unauthorized charges not reimbursed otherwise, may be recovered through payroll deduction.
- e. All purchases using a City of New Albany credit card must follow proper procurement procedures included in the City of New Albany financial policies.
- f. No employee of the City of New Albany may hold or utilize a debit card account, except for law enforcement purposes. Possession or use of a debit card account by an employee, except law enforcement, is a violation of sections 2913.21 of the Revised Code.

Note: The requirements set forth in House Bill 312 do not apply to the debit card accounts related to the receipt of grant moneys.

- g. The credit card is not to be used for personal use under any circumstances. In addition, employees may not benefit through any type of rewards program offered in connection with commercial use (e.g. frequent flyer mile programs).
- h. Repeated failure to retain and turn in receipts will result in the termination of credit card privileges.
- i. No Spouses or other unauthorized persons shall make charges using the City of New Albany Credit card.

IV. Eligibility:

- a. At the request of a department head, the City Manager and Finance Director shall identify those employees whose day-to-day responsibilities require access to a City credit card.
- b. Before receiving a credit card, employees are required to complete the authorized Employee Credit Cardholder Agreement Form.
- c. Only the Cardholder whose name is embossed on the credit card is authorized to use the card and is responsible for ensuring that all charges made with the card are in compliance with the City of New Albany's policies and procedures.

V. Compliance Officer:

- a. The City of New Albany utilizes the Compliance Officer Model for its Commercial Credit Card Program and must appoint a Compliance Officer as defined in House Bill 312. This gives individual departments the ability to retain possession of the credit cards and maintain internal control at the department level.
- b. The City of New Albany's Compliance Officer for the administration of credit cards shall be designated by the City Manager. The Compliance Officer will be responsible for monitoring the credit card accounts for proper use and documentation.
- c. The Compliance Officer may not use a credit card account and may not authorize an officer or employee to use a credit card account.

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d. The Compliance Officer must review at least quarterly: the number of cards issued, the number of active cards issued, and each card's expiration date and credit limit. The review shall be shared with and approved by the City Manager.

VI. Acquiring a City Credit Card:

- a. Prior to issuing a credit card to an employee, the Finance Department will determine how the credit cards will be used, who can use them, and set credit limits. Once these parameters are determined by the Finance Department, the credit will then be issued to the authorized employee by the Director of Finance or designee.
- b. Credit cards are established in the name of the City of New Albany and specifically in the name of the department head/division manager, their designee, or to a City department/division (example: Public Service – City of New Albany).
- c. Each employee authorized to use a credit card is required to complete an Employee Credit Cardholder Agreement Form prior to receipt of the credit card.

VII. Credit Limits:

- a. Each card will have an established maximum transaction limit.
- b. The City Manager and Finance Director shall determine the appropriate credit limit for all individuals.
- c. The Finance Director or designee may increase a specific credit card limit based on a department request relating to one-time increased transaction volumes. In subsequent months, these credit limits will be reduced to the original amount.
- d. Pyramiding is prohibited (the act of dividing one transaction into two or more to stay within transaction limits).

VIII. Cardholder Responsibilities:

- a. Cardholders are accountable for using City of New Albany credit cards in a prudent manner to comply with the City of New Albany policy.
- b. Credit cards must be kept in an accessible, but secure, location. Account numbers must be guarded with care.
- c. Credit cards are not to be lent to unauthorized persons for use. The cardholder alone is responsible and liable for use of the credit card issued to them.
- d. Cardholders are required to maintain receipts for credit card transactions.
- e. Prompt submission of receipts is necessary to avoid incurring finance charges, which are considered unauthorized charges.
- f. Cardholders must take extra care to maintain proper receipts to verify accuracy of charges. Charges without receipts are unsubstantiated and unable to be audited.
- g. If the cardholder questions the propriety of a purchase, the Finance Director or Compliance Officer should be contacted for clarification in advance of the purchase being made.

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- h. Any online purchases made by the cardholder must be done with great caution. It is the cardholder's responsibility to ensure they are dealing with a reputable vendor and that transactions are being made on a secure website.
- i. Sales tax shall NOT be paid on any credit card purchase and is considered an unauthorized charge. The City of New Albany is a municipal corporation and is, therefore, not subject to state and local sales or use tax. Each credit card has the City of New Albany's federal tax identification number, and notes that purchases made on the City's behalf are tax exempt.
- j. Cardholders are responsible for interacting with vendor(s) to resolve disputes and discrepancies of charges.
- k. Lost or stolen cards must be reported immediately according to the fiscal procedures outlined in the Financial Policies & Operating Procedures manual.
- l. If cardholder discontinues employment with the City of New Albany, the card must be turned into the Finance Director or Compliance Officer prior to the employee's termination date.

IX. Authorized Expenses:

- a. Credit card use should be limited to travel related expenses, emergency items, trainings and registrations, dues and subscriptions, and/or items purchased by phone, mail, or online.
- b. In the event of an unauthorized purchase (ie., no purchase order issued or personal expense), the transaction will be subject to additional review which may lead to personal responsibility, revocation of credit card privileges and further disciplinary action.

X. Submitting Credit Card Receipts:

Credit cards receipts for City approved purchases must be maintained, tracked and submitted according to fiscal procedures established by the Finance Director within the City of New Albany's Financial Policies & Operating Procedures manual.

XI. Credit Card Misuse:

- a. Any officer, employee, elected or appointed official who knowingly uses a credit card account for expenses beyond those authorized by the legislative authority is guilty of misuse of credit cards, which could result in criminal charges.
- b. Absolutely no personal items, alcoholic beverages or any other unauthorized items shall be charged to the card.
- c. ATM transactions or cash advances are prohibited.
- d. Unauthorized items or services on term contracts.
- e. Individuals other than the cardholder (spouses, etc.) shall not make charges.

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f. The City of New Albany will pay no sales tax. Any such tax charged is to be resolved by the cardholder or person responsible for the purchase. Failure to coordinate the waiver of tax on behalf of the City may result in personal responsibility for such charges.

XII. Penalties for Misuse of City Credit Card:

- a. Depending on the circumstances and the amount of the money involved, misuse of credit cards ranges from a first-degree misdemeanor to a second-degree felony.
- b. Reimbursement to the City of New Albany for any outstanding unauthorized charges may be recovered through payroll deduction.
- c. Charges without proper documentation will require reimbursement to the City of New Albany by the cardholder or person responsible for purchase.
- d. Intentional misuse of the City of New Albany credit card for personal purchases or those not in accordance with City policy will result in card cancellation. Additionally, the cardholder will be held liable and will be subject to disciplinary action up to criminal charges and the termination of employment.

XIII. Replacing Lost/Stolen or Expired Cards:

- a. Lost or stolen cards must be reported immediately according to the fiscal procedures outlined in the Financial Policies & Operating Procedures manual.
- b. Compliance Officer will notify cardholder when replacement cards are received due to expiration. Expired cards will be returned to the Compliance Officer and card replacement will be coordinated with the cardholder.

XIV. Credit Card Rewards:

- a. The Compliance Officer annually must file a report detailing all the rewards received based on the use of the political subdivision's credit card account and submit the report to the City Manager and the Finance Director.
- b. Reward values are annually liquidated and the cash value of the revenue is proportionally allocated back to corresponding funds, based on the total credit card spending for the year.

XV. Procurement Card Accounts:

The term "credit card account" expressly excludes any procurement card account, gasoline or telephone credit card account, or any other card account where merchant category codes are in place as a system of control for the accounts use. These accounts can only be used to pay for certain types of goods or services. Procedures related to these types of accounts are outlined in the City of New Albany's Financial Policies and Operating Procedures manual.