**FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE**

**DECEMBER 14, 2016**

The meeting was called to order at 5:00 p.m. by Chairman Jim Matuszak. Committee members present were Nelson Evans, Jim Matuszak and Tim McCarthy. Also present were Law Director Karlene Henderson, Finance Director Dave Creps, Deputy Finance Director Tim Fisher and Tax Commissioner Steve Bronder.

BANKING BIDS

Mr. Fisher stated that every five years we go out to bid for the city's banking services. RFPs were sent to all ten banks with offices in Perrysburg and five responses were received. Waterford Bank sent in a pamphlet but did not address the RFP. Fifth-Third Bank offered significant less return than Huntington. Farmers' Bank offered a better rate than Huntington but they do not offer lock box services. First Federal Bank's bid was approximately $2,000 better than Huntington's, but based on the City's ten year relationship with Huntington and the costs associated with switching banks, Mr. Fisher recommended staying with Huntington Bank for the City's banking services. Mr. Creps said that he met with Ms. Kabat and they agree with that recommendation. Mr. Matuszak asked if we have had any issues with Huntington. Mr. Fisher said only at the local teller level and when there have been issues they have been able to resolve them. Mr. Evans asked about the bid from Farmers' Bank. Mr. Fisher explained that it is approximately $23,000 higher but they do not offer lock box services and we have about 11,000 lock box transactions a year. The committee agreed 3-0 to recommend approval of Huntington Bank for the city's banking services.

FINANCE DIRECTOR'S REPORT

The committee reviewed expenses over $5,000 for November. Mr. McCarthy asked about the payments for the jobs grant program. Mr. Bronder explained how the program works. Mr. Matuszak asked if the payments were included in the budget and, if so, how the city estimates the budgeted amounts. Mr. Creps confirmed that the payments have been included in the budget and explained that the city usually budgets more than it could be required to pay out.

Mr. Creps reported that the balance in the Health and Welfare Fund as of November 30, 2016 was $473,987.82 which is up about $30,000.00 from the previous month. He added that he knows there are some big claims that will be coming through.

Mr. Creps distributed final amendments to the 2016 budget, which consisted of amended appropriations, amended estimated revenues and amended budgeted cash transfers. He reminded the committee that these amendments are end of the year housekeeping items and that three separate ordinances will be presented to council for its approval.

Mr. Creps explained that the sum of the individual amended appropriations to the general fund net to zero and is done by line item, if needed, generally within departments to "clean up" the variances between budgeted and actual amounts. He mentioned that the process is required by the auditors. Mr. Creps further explained that he instructs the departments to pay from the proper line items within the budget during the year so the city can accurately track and reflect costs. According to Mr. Creps, the amendments do not transfer any actual expenditures between line items, but rather budgeted amounts. As to the amended estimated revenues, those amounts are being amended so that the budgeted amounts are at least equal to or greater than the projected actual receipts. Doing so also provides some flexibility with respect to the amending of the appropriations. The amendments to cash transfers are all items related to increased revenue. Mr. McCarthy asked why there is a transfer from the general fund into the sewer fund. Mr. Creps explained that the amount represents the city's one-third portion of the sewer separation projects. The committee agreed 3-0 to recommend approval of the related ordinances.

2017 BUDGET

Mr. Matuszak stated that at the last city council meeting he put two items regarding the budget on the table. The first item was bike lanes which seemed to morph into discussion regarding multi-use paths. Mr. Matuszak noted Mr. Evans' recommendation at council to make the discussion part of the amended budget process. Mr. Matuszak recalled that Ms. Kabat sent out an email stating that the Administration was working on a master plan for multi-use paths, bike lanes, etc.

Diane Friess, 311 West Indiana Avenue, asked why there is any discussion happening when voters voted down paths [along Indiana Avenue] several years ago. She said that any money spent on paths is crazy because there is not even a paved path at Woodlands Park. She said that the existing multi-use paths are not being used and bike lanes give kids a false sense of security. Mr. Evans stated that the varying options, safety, and cost make it a complex issue. Mr. Matuszak informed Dick Currie and Charlie Gries, representatives of the biking community that were at the meeting, that bike lanes will be part of the discussion as part of the amended budget process.

Mr. Matuszak stated that the second issue he brought up at the last city council meeting regarding the budget was the spending authority for the Administration set forth in Section 4 of the proposed ordinance. Mr. Matuszak said that Ms. Kabat recently sent out an email with some responses regarding other communities' limits, but she had not yet received them all. Mr. McCarthy suggested that perhaps any new language could make reference to non-recurring contracts. He recognized, depending on any reduction in spending authority, that a lot could end up going to committee based on the list of expenditures greater than $5,000. Becky Williams asked Mr. Matuszak if he had an amount in mind other than $25,000. Mr. Matuszak said that he did not at the moment, but he thought that the spending authority had been abused and to let it go unaddressed would seem to condone it. There was discussion about the specifics of any new language that might accompany a reduced spending authority and general agreement that the matter could be further addressed during the budget amendment process after year-end. Mr. Evans noted that the $25,000 limit is in Section 252.05 of the Code.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that collections for the month of November were just a little over $1.1 million. This is up 4% from last November. Year-to-date collections through November were $17.2 million which is up 6.1% from the same period last year. There was brief discussion regarding the projected collections for the year and how it tied into the amended estimated revenues.

OTHER BUSINESS

Ms. Henderson distributed a packet to the committee members for them to review regarding legislation pertaining to food truck vendors. Ms. Henderson stated that this information is provided under attorney/client privilege. She encouraged the committee to contact her with any questions.

There being no further business, the meeting adjourned at 5:55 p.m.

Respectfully submitted,

Jim Matuszak, Chairman
Finance and Economic Dev. Comm.

***Next meeting: Monday, January 23, 2017 at 5:00 p.m.***