

FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE

NOVEMBER 28, 2016

The meeting was called to order at 6:00 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.

HEALTH INSURANCE RENEWAL

Matt Holzemer was present to review the bids received for health insurance. Mr. Holzemer said that we shop out the health insurance every year to make sure it's competitive. Several companies declined to submit bids because they did not feel they could compete. Mr. Matuszak asked if those that declined to submit bids know what our rates are. Mr. Holzemer said that they do know our rates and are also given two to three years of claims history.

Mr. Creps distributed a chart that he obtained at a GFOA conference that shows what various Ohio governmental entities are paying for health insurance compared to what we pay. Since the chart shows that Perrysburg's rates have been much lower than the rates for the other Ohio governmental entities, Mr. Matuszak asked what we have been doing differently that the others haven't been doing. Mr. Creps said that we have shown a willingness to move from one carrier to another, and Mr. Holzemer added that we shop around.

Mr. Holzemer reviewed the bids received and said that they typically look for at least an 8% savings in overall costs before recommending a switch because of the costs associated with moving to a different company. Mr. Holzemer and the Administration recommended staying with NFP. Mr. McCarthy asked if this will also need to go to the employee health insurance committee and Mr. Creps said that it won't have to because there is no change in the carrier and the rates will essentially remain flat. The Committee agreed 3-0 to accept the Administration's recommendation.

FINANCE DIRECTOR'S REPORT

The Committee reviewed expenses over \$5,000 for the month of October. Mr. McCarthy asked about the payment for the new fire truck. Mr. Creps explained that we paid for it up front because the company offered a discount that was more than what the banks are currently paying in interest. Mr. Evans asked about the payment to McNaughton/McKay Electric for \$6,600 for parts and supplies. He asked if we request typically bids for electrical supplies. Mr. Creps replied stating that that is left up to the division head and he is confident that they shop around for the best pricing.

Mr. Creps reported that the balance in the Health and Welfare Fund as of October 31, 2016 was \$441,821.71, which is up about \$50,000.00 from last month. Mr. Evans asked

if we have any type of a wellness program to help reduce costs. Mr. Creps said that the administration tried some informational lunches in the past, but interest dwindled.

2017 BUDGET

Mr. Creps stated that the 2017 budget will be on the agenda for a first reading at the next City Council meeting and then will be on the agenda for passage at the December 20, 2016 meeting. Mr. Matuszak reminded the committee that the revenue side of the grant for additional fire fighters is not in the budget and he just wanted to avoid any appearance of misleading anyone interested in the budget. Mr. Creps said that it will be added after the first of the year. Mr. McCarthy asked Mr. Creps, if Council could budget for bike paths/lanes if it wanted to. Mr. Creps said that if City Council wants it added, it can be done.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that collections for the month of October were just shy of \$1.4 million. This is down 15% from October of 2015 but it was expected due to timing issues relative to quarterly estimated income tax payments. Mr. Bronder reminded the Committee that September collections were up 28%. Year-to-date collections through October were \$16.1 million and are up 6.3% for the same period last year. The budget shows projected collections of \$18 million. After discussion regarding projected collections in light of the year-to-date collections, Mr. Creps said that actual collections for the year will probably be \$18.5 to \$18.6 million. The increase is largely due to the extra quarterly estimated payments due this year because of the changes to the due dates.

There was a brief discussion regarding the possibility of the State of Ohio taking over all municipal income tax collections.

OTHER BUSINESS

Mr. Matuszak asked if the item that was discussed in Executive Session at City Council meetings will be coming to the Finance Committee for discussion prior to going back to City Council. Mr. Evans said that it is on the agenda for the next Safety Committee meeting. Mr. Matuszak said that he feels it should come before the Finance Committee as well given the nature of the information being considered.

The Committee discussed possible legislation regarding food trucks. Ms. Henderson said that food truck legislation is all over the place and she cautioned the committee not to enact legislation that infringes on the food truck operators' rights under the 14th Amendment. She reminded the Committee again that it is important to keep in mind that all restrictions need to be based on the health, welfare and safety of citizens. Discussion regarding registration fees followed. Ms. Henderson said that a reasonable amount

could be charged, but not necessarily an amount that would be considered a replacement for real property taxes paid by local merchants.

Mr. Matuszak asked Ms. Henderson if food truck privileges to do business in the City of Perrysburg could be revoked if the vendor(s) failed to comply with the rules. Mr. Matuszak explained that rules aren't effective if the Administration doesn't actively enforce them. Mr. McCarthy noted that, for example, the Overland ordinance permits the City Manager to revoke a food truck vendor's license for three days without a hearing and for a longer period of time, subject to a hearing. Mr. Matuszak suggested that perhaps the Finance and Economic Development Committee could administer/oversee the issuance of permits for food trucks. Mr. Evans asked if that would be teetering into an area that is not City Council's responsibility. Ms. Henderson said that she believes it would be. Mr. Matuszak reiterated his concern that just because City Council approves legislation, the Administration could choose to ignore it. Ms. Henderson said that she will put together a draft ordinance and get it to the committee.

There being no further business, the meeting adjourned at 7:08 p.m.

Respectfully submitted,

Jim Matuszak, Chairman
Finance and Economic Dev. Comm.

Next meeting: Wednesday, December 14, 2016 at 5:00 p.m. which is a change from the regular date.