

FINANCE & ECONOMIC DEVELOPMENT COMMITTEE

NOVEMBER 13, 2018

The meeting was called to order at 5:34 p.m. by Chairman Jim Matuszak. Committee members present were Jim Matuszak and Becky Williams. Tim McCarthy arrived at 5:36 p.m. Also present were Bridgette Kabat, City Administrator, Dave Creps, Finance Director, Tim Fisher, Deputy Finance Director, and Steve Bronder, Income Tax Commissioner.

ENERGY SPECIAL IMPROVEMENT DISTRICT

Teresa Snyder, Business Development Manager of the Toledo/Lucas County Port Authority, made a presentation about Property Assessed Clean Energy (PACE) which is a financing tool for energy efficiency and alternative energy products that is paid back by special assessments on the improved property. Ms. Snyder said there is no risk to the municipality; it just facilitates the assessment on the property. She said that she is often asked about the downside of establishing a district. She said it would require legislation to be approved, the City would have to certify an assessment to the Wood County Auditor annually, and we would need to appoint a member to serve on the Board. No action was taken.

ECONOMIC DEVELOPMENT

Glenn Grisdale, Economic Development Consultant, requested approval of a Jobs Grant and CRA for Ohio Cat's proposed new location on Eckel Junction Road. He said the CRA would be 75% for ten years on an estimated \$6.2 million dollar real property investment. The school districts have been notified and school donation agreements will be in place. This project would retain the current payroll of approximately \$4 million dollars a year and would generate an additional payroll of \$2 million dollars a year and create 30 new jobs within three years. The Jobs Grant would be for five years and when at the full amount, would cost the City approximately \$10,395 annually. Mr. Grisdale added that Ohio Cat will have to reimburse the City for approximately \$98,000 for improvements to the SR25/Eckel Junction Road intersection, and these incentives would help offset that expense. Mr. McCarthy said that he did not like Ohio Cat at that site, so he is not in favor of the request. Ms. Williams agreed. The Committee vote was 1-2 to recommend approval of the CRA and Jobs Grant requests for Ohio Cat.

Mr. Grisdale requested approval of legislation rescinding the existing CRA for V Couture and approval of a new CRA for the business. Mr. Grisdale said that the original CRA was approved in 2013 and was extended to 2017. Per the Ohio Revised Code, it cannot be extended again, so it needs to be rescinded. The new CRA would reflect a new project that the owner, Valentine Ononye, is bringing forth. The project will create 21 full time equivalent jobs and a vacant property will come down. The abatement will be 100% for ten years on an estimated assessed value of \$632,000. Ms. Williams asked if Mr. Ononye is using the same building plan, and he said he is not. The Committee agreed 3-0 to

recommend approval of legislation rescinding V Couture's existing CRA agreement and approving the new CRA agreement.

FINANCE DIRECTOR'S REPORT

Mr. Creps called attention to the list of expenditures over \$5,000 for the month of October. The Committee had reviewed the list, but had no questions.

Mr. Creps reported that the balance in the Health Insurance Fund at October 31, 2018 was \$754,344.82. Mr. Matuszak asked about contributions to the fund, and Mr. Creps explained that the ending balance will be deducted from the maximum exposure amount when calculating the rates for next year.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that collections for October were just shy of \$1.5 million dollars which is the same as October of 2017. Collections for withholding taxes were down 5% this month. Mr. Bronder reminded the Committee that withholding was up last month and he believed it was because a lot of employers had three pay periods in September. Year to date collections at October 31 were just shy of \$17 million dollars which is a 2.9% increase over the first ten months of 2017.

2019 BUDGET

There was a brief discussion about the budget, specifically the debt for the new fire station, the Fort Meigs Road culvert, and the hiring of three new firefighters. Mr. Matuszak asked that Ms. Kabat send out an email listing the parts of the budget that have not been reviewed by a specific committee.

CREDIT CARD POLICY

Ms. Kabat reported that the proposed credit card policy has been sent to our external auditors for their feedback.

There being no further business, the meeting adjourned at 6:44 p.m.

Respectfully submitted,

Jim Matuszak, Chairman
Finance & Economic Dev. Committee

Next meeting: Tuesday, December 11, 2018 at 5:30 p.m.