FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE

SEPTEMBER 8, 2020

The meeting was called to order at 5:32 p.m. by Chairman Jim Matuszak. Committee members present were Deborah Born, Jim Matuszak and Tim McCarthy. Also present were Bridgette Kabat, City Administrator, Laura Alkire, Law Director, Dave Creps, Finance Director, Amber Rathburn, Deputy Finance Director, and Steve Bronder, Income Tax Commissioner.

RESOLUTION IN SUPPORT OF NOAC LETTER OF INTENT

Mark Frye of Palmer Energy was present via teleconferencing. Ms. Alkire stated that the Administration is requesting approval of a resolution to authorize the Mayor to sign a letter of intent (LOI) for the acquisition of solar energy for municipal facilities through the City's participation in the Northwest Ohio Aggregation Coalition (NOAC). Ms. Alkire stated that this is just the first step in the process, and the LOI is non-binding. She stated that the committee had previously been given a presentation by Solar Power and Light, but it makes better financial sense to go with several other communities. Mr. Frye stated that Palmer Energy, on behalf of NOAC, has been evaluating solar energy for several years. There was discussion regarding the number of communities involved, the megawatts that would be needed, and the acreage required for an array large enough to produce the needed megawatts. Mr. Frye said that if the number of megawatts needed gets high enough, they may need to look into breaking the solar array into two locations. Mr. Matuszak asked about the useful life of the array, and Mr. Frye said about 20-25 years. Ms. Alkire explained that after Palmer Energy does an RFP, Mr. Frye would come back to City Council for approval of a power purchase agreement. Ms. Born asked if we can connect to Bowling Green's array. Mr. Frye said he doesn't think we can. Ms. Alkire said that state law prohibits municipal utilities to sell more than 50% of their inside consumption outside the municipality. The Committee agreed 3-0 to recommend approval of the resolution. Mr. Matuszak said that he thinks the rest of City Council should have an opportunity to ask questions. Ms. Alkire said that they will see if Mr. Frye is available to attend the Council meeting.

APPROPRIATION OF ADDITIONAL CARES FUNDS

Ms. Alkire reported that after the last City Council meeting the Administration was notified by the Wood County Auditor's office that the City would be receiving a second distribution of CARES Act Funds in the amount of $314,319.23 which is 50% of the first distribution. She requested approval of legislation appropriating these funds into the fund categories of Personnel Costs, Material and Supplies, Equipment, and Contractual Expenses. Mr. Matuszak asked about grants to businesses. Ms. Kabat said she spoke to Wade Gottschalk of the Wood County Economic Development Commission and he said that one business in Perrysburg is in line to receive a grant. The Committee agreed 3-0 to recommend approval of the legislation.

JOBS GRANT APPLICATION

Representatives of Satelytics were present to request approval of a jobs grant application. The application states that the business is currently located in space provided by the University of Toledo, and they currently employ 16 people with annual payroll of one million dollars. The business is looking to relocate to Levis Commons and expand. They anticipate creating 35 full-time positions with payroll of $3.5 million by 2023, with the two-million-dollar threshold being hit in 2022. The jobs grant would begin once the threshold is met. There was discussion regarding what type of work the company does, and the type of work done by the employees that they would be adding. Mr. Matuszak asked how many of the employees and what volume of work would be in Perrysburg. Sean Donegan, President and CEO of Satelytics, stated that 100% of their brain trust is currently in Toledo, but the goal is to keep their entire footprint in Perrysburg. The Committee agreed 3-0 to recommend approval of the jobs grant application.

FINANCE DIRECTOR'S REPORT

The Committee reviewed expenditures over $5,000 for the month of August. Mr. McCarthy asked about the property tax distribution payments and the payment to the Wood County Auditor. Mr. Creps explained that the City is the pass through entity so the checks are the property tax distribution. The payment to the Wood County Auditor is for fees associated with the collection of property taxes.

The balance in the Health and Welfare Fund as of August 31 was $368,106.89. Mr. Creps stated that the fund balance continues to drop as we are experiencing very high claims. He said that they are monitoring the claims closely.

Mr. Creps called attention to the 2021 budget that was distributed to City Council members. He said that the amount budgeted for income tax collections was decreased for next year. He stated the budget has been pared down and does not include a lot of equipment purchases, and they're waiting until the budget amendment after the first of the year so we have a better idea of the impact of the pandemic on income tax collections.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that income tax collections for the month of August were over $1.6 million dollars which is up 48% from August of 2019. He said that withholding taxes were up but that may have been a timing issue because of three pay periods in the month. He said year to date collections through the first eight months of the year were $13.9 million which is down 6% from 2019.

There being no further business, the meeting adjourned at 6:40 p.m.

Respectfully submitted,

Jim Matuszak, Chairman
Finance & Economic Development Committee

Next meeting: Tuesday, October 13, 2020 at 5:30 p.m.