

FINANCE COMMITTEE

JULY 8, 2014

The meeting was called to order at 5:00 p.m. by Chairman Tom Mackin. Committee members present were Todd Grayson, Tom Mackin and Jim Matuszak. Also present were Bridgette Kabat, City Administrator, Mathew Beredo, Law Director, Dave Creps, Finance Director, Tim Fisher, Deputy Finance Director, and Steve Bronder, Income Tax Commissioner.

APPOINTMENT TO WAY LIBRARY BOARD

Peter Casey was present to be considered for appointment to the Way Library Board. Mr. Casey said he has been a Perrysburg resident since 1982. He is a retired lawyer, he uses the library a lot, and he now has time to give back to the community. The Committee thanked Mr. Casey for his willingness to serve and agreed 3-0 to recommend that he be appointed to the Way Library Board.

QUARTERLY BANKING REPORT

Mr. Fisher presented the Committee with the quarterly banking and investment report. He said that there is nothing material to report, interest rates are still low, and we have received quality service from both Huntington and Fifth-Third Banks.

QUARTERLY LITIGATION REPORT

Mr. Beredo provided the Committee with the quarterly litigation report electronically prior to the meeting. Mr. Mackin stated if there were any questions the Committee could go into Executive Session, but there were no questions.

NOAC NATURAL GAS AGREEMENT

Mr. Beredo reported that we are at the end of our natural gas aggregation agreement with IGS, so we went out to bid. He said we are looking at a contract date in early August which would allow us to get notices out in September so it will be in effect before the heating season. He said that the agreement with IGS was six months on six months off, but this will be a continuously running contract for either 18 or 20 consecutive months. He requested permission to enter into an agreement with a natural gas supplier at the lowest available price pursuant to the NOAC Natural Gas Aggregation Program. This would normally go through the HSPU Committee, but because of the timing, Mr. Beredo brought it to the Finance Committee. Mr. Grayson stated it was a pretty standard procedure, and Mr. Beredo gave some background information about the aggregation program. The Committee agreed 3-0 to recommend approval of the agreement.

FINANCE DIRECTOR'S REPORT

The Committee reviewed expenditures over \$5,000 for the month of June. Mr. Grayson asked why there are recycling tipping fees. Ms. Kabat said that she will check into it and

email the Committee. Mr. Grayson asked that it be sent to all of Council. Mr. Matuszak asked if right of way acquisition for the Eckel Junction Road and SR25 improvements is all resolved. Mr. Beredo said that he believes it is, but after further checking, he said there are two parcels at Fifth Third Bank that are not on that list so they may show up next month.

Mr. Creps reported that the balance in the Health Insurance Fund as of June 30th was \$386,246.51.

The Administration recommended reducing the Street Tree Assessment from \$100,000 to \$50,000 which is the pre-Emerald Ash Borer level of funding. Mr. Mackin said that the City has gained a reputation of maintaining a very successful street tree program and we want to be able to maintain that. Ms. Kabat said that with the assessment amount, along with dollars from the General Fund, the Administration is confident that they can maintain the level of service of past years. Mr. Matuszak asked why we would not want to fund more of it through real estate taxes since it is a property issue. Ms. Kabat noted that a small amount from property taxes does go into the General Fund, and during 2015 the Administration will be looking at funding mechanisms for the Street Tree Program and will make a recommendation as part of the 2016 budget process as to how it should be funded. Mr. Grayson stated that between the Street Tree and Street Lighting assessments it is less than 1% of the City's overall budget. He feels those items should be funded from the General Fund. Mr. Creps noted that any money diverted from the General Fund is taking it away from other projects. Mr. Grayson said that he would like to make the recommendation that the assessment for Street Trees be reduced to zero. Mr. Mackin and Mr. Matuszak both voted no. Sara Weisenburger said that she believes that even if the City were not allowed to make an assessment for Street Trees per the Ohio Revised Code, we would still have a Street Tree Program. Ms. Kabat said that she does not know if we would, and that some communities have no programs for street trees. Mr. Creps said that some years it would have been difficult to fund it through the General Fund because the budget was tight. Ms. Weisenburger said that if the choice is between planting trees and cutting cops, you keep the cops because that is a core service of the government. Jim Hagen said that it goes back to what you feel is more important and others may feel that there is a way for the police to run their operations more efficiently so the tree program would not have to be cut. He said that if it is funded out of the General Fund taxpayer's have no control, and there is no guarantee that it will be funded. The Committee agreed 2-1 to recommend approval of the Administration's recommendation of \$50,000 for the Street Tree Assessment.

There was discussion regarding placing the Refuse Levy on the ballot, but it was later determined that the levy does not need to go on the ballot until next year.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that the Income Tax Division had a strong month and collections were up 11% over the same month last year. Year to date collections are up 5% from 2013. Mr. Matuszak asked what percentage of the total for 2014 has been collected. Mr. Bronder said that he is guessing collections will be around \$16 million and year to date collections are \$9.6 million, so we've collected roughly two-thirds.

There being no further business, the meeting adjourned at 6:02 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Tom Mackin". The signature is fluid and cursive, with a large initial "T" and a stylized "M".

Tom Mackin, Chairman
Finance Committee

Next meeting date: Tuesday, August 12, 2014 at 5:00 p.m.