

FINANCE COMMITTEE

MAY 14, 2013

The meeting was called to order at 5:00 p.m. by Chairman Tom Mackin. Committee members present were John Kevern and Tom Mackin. 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.

DOCUMENT IMAGING STORAGE CONTRACT

Gary Kleinfelter requested authorization to enter into a contract with Digitech for document imaging storage. Paper documents are scanned and stored in a searchable file. The cost starts at \$170 per month for 2 GB of storage. The office of Human Resources has budgeted \$8,000 for this in 2013. Mr. Creps said that Ms. Chalfant checked on the legality of having HR records in electronic files. Mr. Mackin asked why they chose this company. Mr. Kleinfelter stated that he got a different quote from a company where we house the documents, but this is a good entry level plan. Ms. Kabat stated that they visited Sylvania Township who uses the system as does Maumee and Rossford. The Committee agreed 2-0 to recommend approval of the contract.

CONTRACT FOR CITY AUCTIONS – LIGHTGOV

Mr. Beredo stated that several years ago we entered into a contract with LightGov for auction of surplus City property. The ordinance stated that the contract was for one year only, but given the success the City has had, he is requesting permission to enter into a multi-year contract with LightGov. Mr. Mackin asked how much we use the service. Mr. Beredo said it varies. Mr. Mackin asked how much it costs. Mr. Beredo said that they take a percentage of what we sell. The Committee agreed 2-0 to recommend approval of a contract with LightGov.

REVISIONS TO SECTION 252.05 (ADDING SERVICE CONTRACTS AND ZERO DOLLAR CONTRACTS)

Mr. Beredo stated that Section 252.05 is a provision in the Code that allows the Administration to enter into certain small dollar contracts without bringing them to City Council. The dollar amount was recently increased from \$5,000 to \$25,000, but the Public Utilities Department said that some of their routine service agreements do not fit into the categories allowed in this section. Mr. Beredo requested approval of an amendment to Section 252.05 to include these routine service agreements and contracts where the City does not take on any obligation. Mr. Mackin asked what kind of oversight there would be on the service agreement contracts. Ms. Kabat stated that the contracts would still go through the purchase order process which both she and Mr. Creps review and sign. The Committee agreed 2-0 to recommend approval of the amendments.

CONTRACTS FOR OUTSIDE COUNSEL FOR PROSECUTOR

Mr. Beredo and Marty Aubry, Prosecutor, requested approval to enter into contracts with outside counsel used as assistant prosecutors for overflow cases. Mr. Beredo said that this will clarify the legal authority to do what we have been doing for the past 20-25 years. He feels that contracts should be done because if you aggregate the numbers, they are well over the \$25,000 that is authorized by City Council. Mr. Aubry said that there is no increase in budget and this will make it clear that these are independent contractors, not employees. The Committee agreed 2-0 to recommend approval.

FINANCE DIRECTOR'S REPORT

The Committee reviewed the list of expenditures of \$5,000 for the month of April. Mr. Kevern asked if there is a particular location where City employees purchase fuel for City cars. Mr. Creps said that the fuel cards allow them to go to most fuel centers. Mr. Kevern said that it seems the price of fuel is always higher at the Exxon station on SR25. Mr. Creps said that he will bring it up at Staff meeting.

Mr. Creps reported that the balance of the Health Insurance Fund as of April 30, 2013 was \$455,435.03. He said that it is up because he received the refund check for last year's stop loss claims. He said that he expects claims to be up for the month of May.

Mr. Creps stated that he received the certificate from Wood County that allows us to move forward with putting the refuse levy on the November ballot. The Committee agreed 2-0 to recommend approval of placing this on the ballot. Mr. Mackin said that he will give it two readings since it is a tax.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that income tax collections for the month of April were up 4% over the same period last year. He said that last April was the best month we've ever had, so we have bettered our monthly record. Year to date collections are up 6% over 2012. Mr. Bronder added that withholding accounts seem to be rebounding.

Mr. Bronder spoke about House Bill 5 which is currently in the State Legislature. The intent of the bill is to provide greater uniformity in the Municipal Tax Code to ease the burden on businesses operating in multiple jurisdictions within Ohio. Mr. Bronder said that although we like the idea of uniformity and being more business friendly, we do not want tax reform that negatively impacts tax revenues. If this bill were enacted in its current form, it would eliminate local control by making all local tax ordinances obsolete. Any changes to our tax code would have to go through a State Board. Mr. Bronder requested that City Council approve a resolution opposing this bill. Mr. Mackin said that he thinks that would be a good idea because we do not want to give up local control to a State Board of non-elected people who don't have to answer to Perrysburg voters. The Committee agreed 2-0 to recommend approval of a resolution opposing House Bill 5.

OTHER BUSINESS

Mr. Beredo stated that he has drafted legislation regarding the disposition of excess municipal property in the most appropriate manner. It establishes a hierarchy of disposal with the first option being transfer between City divisions, then to other governmental jurisdictions, and then to be sold by auction. Mr. Creps said the policy outlines formally what we do now. The Committee agreed 2-0 to recommend approval.

There being no further business, the meeting adjourned at 5:53 p.m.

Respectfully submitted,

Tom Mackin, Chairman
Finance Committee