FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE

MARCH 12, 2019

The meeting was called to order at 5:31 p.m. by Chairman Jim Matuszak. Committee members present were Jim Matuszak, Tim McCarthy, and Becky Williams. Also present were Bridgette Kabat, City Administrator, Laura Alkire, Law Director, Dave Creps, Finance Director, Tim Fisher, Deputy Finance Director, and Steve Bronder, Income Tax Commissioner.

RESOLUTION IN SUPPORT OF GAS TAX

Ms. Alkire explained that the City was contacted by TMACOG and the OML about passing a resolution in support of the Governor's proposal to raise the gas tax by eighteen cents. However, this issue went through the legislature faster than they thought it would, and the Ohio House considered the proposal and reduced the increase to 10.7 cents. No action was requested.

OHIO CAT

Ms. Alkire said that the sale of a 2.32 acre parcel off of Eckel Junction Road to Ohio Cat was discussed at last month's meeting. She distributed a draft ordinance and sales agreement. She explained that the parcel is landlocked and there are no municipal plans for the property. An appraisal was done and came in under the $5,000 sales price. The sale is contingent upon Ohio Cat closing on the adjacent 36 acres. Ms. Alkire stated that the ordinance was prepared as an emergency to accommodate the April 1, 2019 closing date. The Committee agreed 3-0 to recommend approval of the ordinance.

TAX ABATEMENT FOR YARK AUTOMOTIVE

Glenn Grisdale, the City's Economic Development consultant, introduced John and DJ Yark of Yark Automotive Group, and Jerry Parker, their attorney. Mr. Grisdale stated that the Yarks are requesting a ten year, 100% tax abatement on $6.5 million in new real property investment at 26997 Dixie Highway. Mr. Grisdale explained that if approved, the Yarks will be relocating their business and 25 current jobs from Whitehouse to Perrysburg. They will also create 25 new jobs in the first two years of the abatement, and will have payroll of $3 million dollars at the full buildout. Mr. Grisdale said that the abatement would save the Yarks $236,000 over ten years with the cost to the City of $7,300 per year, but the payroll taxes to be collected in the full build out will be $45,000 per year. The schools have been contacted and will be made whole per the City's requirements. Mr. Matuszak asked if they anticipate submitting a request for payroll tax abatement. Mr. Grisdale said they do not, and Mr. Creps added that they do not qualify for it. The Committee agreed 3-0 to recommend approval of the abatement.

FINANCE DIRECTOR'S REPORT

The Committee reviewed expenditures greater than $5,000 for the month of February. The Committee asked questions about gasoline purchases, truck repairs, the feasibility study regarding Bowling Green water, and payments to InNow, and the Administration addressed all questions raised.

Mr. Creps reported that the Health Insurance Fund had a balance as of February 28, 2019 of $965,653.18. He said that the balance will begin to drop at a faster pace because we have some issues we're going to have to deal with, and the contribution rate has decreased.

Mr. Creps said that the two year refuse levy needs to go on the ballot this November. The first step in the two step process is approval of a Resolution of Necessity. The resolution will be sent to the Wood County Auditor who will send us a certificate showing how much the levy will generate. Another resolution will be needed for the levy to actually be placed on the ballot. The Committee agreed 3-0 to recommend approval of the resolution of necessity as an emergency.

Mr. Creps requested approval to add a Grant Fund. He explained that this would be a special revenue fund and would only cover the general fund, not water and sewer. Mr. Creps explained that when a grant is received, the purchase sometimes throws the expenditure line item out of whack. By creating a special fund, the grant proceeds will be receipted and expended from this fund. If the City is responsible for any share of it, those dollars would still come from the general fund. The Committee agreed 3-0 to recommend approval of creating a Grant Fund.

The Committee had a brief discussion about the proposed budget amendment. Mr. McCarthy asked about the dollars for the DDI Highway Signage. Ms. Kabat said it is a carryover item from 2018 to do the metal signage. Mr. Matuszak asked if the sign will be lit, and Ms. Kabat said they are looking at possible ways to light the sign. She added that the Wood County Commissioners have committed to reimbursing the City $50,000 for the signage. There was discussion about fencing at the Fort Meigs Cemetery, and about the paydown on the water tower notes.

<u>INCOME TAX COLLECTION</u>

Mr. Bronder reported that income tax collections for February were approximately $1.2 million dollars which is up 9% from February 2018. Year to date collections were $3.1 million which is up 8.4% from the first two months of 2018.

<u>OTHER BUSINESS</u>

Mr. Creps called attention to the credit card statements that were sent to all Council members with the committee agenda. He said that per the credit card policy, the President of Council is required to sign something acknowledging receipt of the statements. He stressed that this does not constitute approval or authorization on Mr. Matuszak's part, it is just an acknowledgement that the copies were provided. Mr. Matuszak requested that another column be added to the forms attached to the credit card statement explaining how meals related to City business and who employees met with.

There being no further business, the meeting adjourned at 6:36 p.m.

Respectfully submitted,

Jim Matuszak, Chairman
Finance & Economic Development Committee

Next meeting: Tuesday, April 9, 2019 at 5:30 p.m.