

FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE

FEBRUARY 22, 2016

The meeting was called to order at 5:02 p.m. by Chairman Jim Matuszak. Committee members present were John Kevern, Jim Matuszak and Tim McCarthy. Also present were Bridgette Kabat, City Administrator, Dave Creps, Finance Director, Tim Fisher, Deputy Finance Director, and Steve Bronder, Income Tax Commissioner.

BOARD OF INCOME TAX REVIEW

Diane Haas was present to be considered for appointment to the Board of Income Tax Review. Ms. Haas is the tax administrator for Ottawa Hills so her experience lends itself to this position. Mr. Bronder explained that there have been some changes made to the Board of Income Tax Review. The Law Director used to hold one seat on the Board, but because our current Law Director is not a city resident, there are now three voting members that are not City employees. If approved, Ms. Haas would be joining Doug Sosko and Keith DeWalt who are both CPA's on the Board. Mr. Kevern asked how often the Board meets. Mr. Bronder said that they only had two appeals in 2015. The committee agreed 3-0 that Ms. Haas is qualified for the position and recommended that her appointment be approved and they thanked her for her willingness to serve.

SIDEWALK LEASES

Ms. Kabat requested approval of the sidewalk lease renewals. She said that all terms and conditions are the same except that the Administration is requesting that they be changed to two year agreements. Ms. Kabat stated that she will have the Law Director send out the agreements to all of City Council. The Committee agreed 3-0 to recommend approval of the sidewalk lease renewals subject to their review.

FINANCE DIRECTOR'S REPORT

The Committee reviewed the expenditures over \$5,000 for the month of January. Mr. McCarthy asked about a payment to the Treasurer of the State of Ohio for resurfacing. Mr. Creps explained that the work was actually done on SR25 a couple of years ago and we knew that we still owed on the project, we were just waiting for ODOT to tell us the project was complete. Ms. Kabat added that we still have not seen a bill from ODOT for our share of the SR65 resurfacing project. Mr. Matuszak asked about the payment for the 2015 Sidewalk Program. Ms. Kabat said that we had to request an invoice on that project because we had not received one. Mr. Matuszak asked about payments for Riverside Park and the Multi-use Path Phase 2. Ms. Kabat said that those payments are for the design services encumbered through contracts approved by City Council.

Mr. Creps reported that the balance in the Health Insurance Fund as of January 31, 2016 was \$520,744.31. He said that the balance will be down at the end of February because we have had some large claims come through. He said the new contribution rates will be in effect for March.

2016 BUDGET AMENDMENT

The Committee reviewed the budget amendment that had previously been distributed to City Council. Mr. McCarthy said that he sees \$250,000 is proposed to go into the Reserve Fund and he asked what the balance of the fund is. Mr. Creps said after that after the additional \$250,000 the balance will be \$2,899,781.52. Mr. Kevern asked about the new Deputy Clerk position and why there was no dollar amount listed for it. Mr. Creps explained that is for an additional court employee but the Judge included the cost of the new employee in the total salaries amount. Mr. Matuszak asked Mr. Creps if he is comfortable with where the General Fund Reserve is at. Mr. Creps said that he is. Mr. McCarthy clarified that with the additional dollars being budgeted for a fire station we will have about one million dollars set aside towards the cost of a new station. Mr. Creps said that is correct. Mr. McCarthy asked about funds for resurfacing. Mr. Creps explained that we receive approximately one million dollars a year from gas and license taxes which goes to resurfacing and an additional \$450,000 has been budgeted so the total budgeted for resurfacing is \$1,450,000. The Committee also discussed traffic signal coordination, the Sherman Place sanitary sewer rehab project, Riverside Park improvements and Hood Park improvements. Ms. Kabat said that one million dollars was originally budgeted for Riverside Park improvements of which \$110,000 was spent on design so there is \$890,000 left. The budget amendment includes an additional \$755,000 which consists of \$510,000 for the base bid and \$245,000 for alternates. Mr. Matuszak said that he would like to see the \$500,000 bond item for Hood Park be removed especially since we are adding funds for Riverside Park. There was discussion regarding what the \$500,000 for Hood Park includes and Ms. Kabat said it is design work to get it ready to go out to bid. Mr. McCarthy said that the design for Riverside Park was only \$110,000 and he is not comfortable with \$500,000, but he would be okay with a lesser amount but he doesn't want to borrow it. Mr. Kevern agreed with Mr. Matuszak and the Committee agreed 2-1 to recommend that the \$500,000 bond item for Hood Park be removed from the budget.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that collections for the month of January, 2016 were a little over \$1.9 million dollars. He said this is up 15% from January of 2015 and all three account types were up from last year. Mr. Matuszak asked if there were one or two employers with large increases. Mr. Bronder said he reviewed the top five withholding accounts and they were relatively stable.

ECONOMIC DEVELOPMENT

Glenn Grisdale, Economic Development Consultant for the City, stated that each year the CRA agreements are monitored to ensure that they are compliant. As a result, there are two CRA agreements that need to be terminated. Perfect Packaging has relocated to Northwood and RIMA Properties sold their building to a non-profit organization. The Committee agreed 3-0 to recommend that the CRA agreements for Perfect Packaging and RIMA Properties be rescinded.

OTHER BUSINESS

Ms. Kabat reported that the individual that planned on moving into the City owned apartment above the beauty salons has backed out. We have found a new tenant and a background check has been completed. The terms of the lease and the rent are the same as the previous agreement. Ms. Kabat stated that she will have the Law Director send a copy out to City Council. The Committee agreed 3-0 to recommend approval of the lease agreement.

There being no further business, the meeting adjourned at 6:03 p.m.

Respectfully submitted,

Jim Matuszak, Chairman
Finance Committee

Next meeting: Monday, March 28, 2016 at 5:00 p.m.