

FINANCE AND ECONOMIC DEVELOPMENT COMMITTEE

FEBRUARY 13, 2018

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

BANKING/INVESTMENT REPORT

Mr. Fisher reported that nothing has changed with the City's investments other than we have moved one million dollars from Fifth Third Bank to Raymond James. Mr. Matuszak asked why we made the move. Mr. Fisher said that Raymond James provides better customer service. He added that the rates are low regardless of where we go. Mr. Matuszak asked if we will be moving more funds in the future. Mr. Fisher said that when existing bonds come due we may be looking to move them.

ECONOMIC DEVELOPMENT

Ms. Kabat said that the City's agreement with Reveille may be on the agenda next month.

FINANCE DIRECTOR'S REPORT

The Committee reviewed expenditures greater than \$5,000 for January. Ms. Williams asked if we have any more payments due to Tetra Tech for the design of Hood Park parking. Ms. Kabat said that we may get one more invoice and they are expecting the final plan soon. Ms. Williams asked about the wraps that were purchased for the Perrysburg Transit vehicles. Ms. Kabat said that the logo was changed as a way to draw attention to the service. Mr. Matuszak asked where the payment came from in the City's budget. Ms. Kabat said that it came out of the transit fund balance. Ms. Williams asked if the payment to Henry Bergman, Inc. was the final payment, and Ms. Kabat said that she believes it was. Ms. Williams asked about the payment for an annual discharge fee, and Ms. Kabat said that she believes that is related to our NPDES permit. Mr. McCarthy asked about the payment to Municipal Income Tax Solutions. Mr. Bronder explained that it represents the annual license fee for the income tax software his department uses. Mr. Matuszak asked for a list of who has City credit cards and that a copy of a credit card statement be sent to the committee members.

Mr. Creps reported that the balance of the Health Insurance fund as of January 31, 2018 was \$231,685.63. He said that the Health and Welfare fund still owes the General Fund \$400,000 to repay an advance from late last year. Mr. Matuszak clarified that the \$231,685.63 is not net of the \$400,000 liability the fund has to the general fund. Mr. Creps said that we have received reimbursement of \$160,000 for the stop loss but are still waiting for another \$250,000. Mr. Creps said the City will putting more in the fund this year, and he hopes by the end of the year we have a healthy balance in the fund.

Mr. Creps reported that Matt Holzemer, our insurance consultant, shops out the dental insurance each year but our options are limited by the union contracts. This year we have two choices: lock into a two year contract with no increase, or take a 4% decrease for the first year and take a chance as to what the costs would be in the second year. Mr. Creps said that Mr. Holzemer recommended the two year rate lock to which he agreed. The Committee agreed 3-0 to recommend approval of a contract with Delta Dental for two years with no price increase.

TAX COMMISSIONER'S REPORT

Mr. Bronder reported that income tax collections for January were just shy of \$1.8 million which is up 3.7% over collections for January 2017. Mr. Matuszak asked if Mr. Bronder has a feel for the volume of returns received so far this year versus last year at this point. Mr. Bronder said that they are not seeing much change. Overall they have been seeing an increase in the number of returns, probably due to growth, but not necessarily so far this year. Mr. Matuszak asked if Mr. Bronder is comfortable with the staffing level in his department and Mr. Bronder said he is. Mr. McCarthy noted that collections for individual accounts are up 19% and he asked if that is due to a timing issue. Mr. Bronder said that he does not believe so since December was also high.

2018 BUDGET AMENDMENT

Mr. Creps distributed the Mayor's 2018 proposed amended budget. He explained that it is the Excel version so it is missing subtotals. Ms. Kabat reviewed carry-over items and the amendments highlighted in the cover letter that accompanied the Mayor's proposed amended budget. She noted that \$500,000 has been added to road resurfacing so the total budgeted for road resurfacing is now \$1.6 million dollars. The budget also adds \$2 million dollars to the amount appropriated for the new fire station so the total amount appropriated for the fire station is increased to \$4.15 million. Mr. Matuszak asked about the balance of the estimated cost of the fire station project. Mr. Creps said that there will be \$6 million dollars of borrowing at some point.

Ms. Kabat added that \$385,000 has been removed from Hood Park parking. Mr. Matuszak asked if there is any money left in the budget for parking improvements at Hood Park. Ms. Kabat said there is not, and in her conversations with Jon Eckel he said that trying to do a "little something" may actually make it worse.

Ms. Kabat reviewed other large dollar items included in the budget such as the completion of Ohio Supreme Court security measure improvements to the Perrysburg municipal court building, telephone system upgrades, and a multi-use path at Villages of Canterbury. Ms. Kabat explained that the developer is required to install a five foot sidewalk, so the City would partner with the developer and pay the difference to put in a

multi-use path to connect to other paths in that area. Mr. Matuszak asked if the multi-use path would go along residents' front yards. Ms. Kabat said it would be in the right of way, but she believes it would be along the rear of the homes.

Ms. Kabat said there are also dollars in the 404 fund for the municipal pool to be sandblasted down to the concrete and to be repainted. Ms. Williams asked if the only item proposed to be removed from the original budget by the Mayor was Hood Park parking.

Mr. Matuszak asked if any smaller items, not included in the cover letter, were removed. Ms. Kabat said she cannot think of any. Mr. Matuszak asked what happens if the Mayor's proposed amended budget is not passed by March 31. Ms. Kabat said that we would operate under the budget that was passed in December, which would mean there would be no funds for carry over items and no new items would be budgeted which would affect ongoing sewer projects and the new fire station.

Ms. Williams said that it is nice to see additional dollars for resurfacing. She asked about the additional leased truck in garbage and refuse. Ms. Kabat said that the Department of Public Service is looking to speed up the replacement program. She explained that this amended budget would allow for the replacement of a smaller truck referred to as the Pack Rat and one garbage truck.

Ms. Kabat stated that Mayor Mackin has also set aside \$100,000 in the proposed budget for lean government initiatives/staff training. Mr. Matuszak asked if that was a generic appropriation or if the administration has a specific vendor in mind. Ms. Kabat said that the administration did not have a specific vendor in mind.

Mr. McCarthy asked if the Mayor's proposed amended budget would be going to the substantive committees so that the Personnel Committee could look at the lean government initiatives. Ms. Kabat said that is correct and that the administration is looking at technologies to reduce paperwork, including time off slips and time sheets. She said that the process has already begun in the Police and Fire Divisions because they are now using Right Stuff software for scheduling and timesheets. Mr. Matuszak said this sounds like a good idea.

Mr. Matuszak asked if the grants and related expenditures for the fire division that were discussed at the last Safety Committee meeting were included in the Mayor's proposed amended budget. Ms. Kabat said that the SCBA revenue has been added and the expenditure was already in the budget. She said that she discussed the other grants with Chief Ruiz, and he is comfortable waiting until the 2019 budget to include those items if they are awarded. Ms. Kabat added that they have had some discussion regarding establishing a revenue fund for grants to better track them. Ms. Williams

noted that turnout gear is included in the budget. Ms. Kabat said she will check with Chief Ruiz and see if that is related to the grant or is just a standard purchase.

Mr. Matuszak asked why the language giving the Administration authorization to enter into contracts under \$25,000 is in the budget each year if it is covered in Section 252.05. Ms. Kabat said that she is not sure, and Mr. Creps said that he is not sure but a previous Law Director may have felt it was appropriate to be in there. Mr. Matuszak asked how City Council would go about changing it if they wished to do so. He asked if it would be done through the budget ordinance or as a change to the charter. Ms. Kabat explained that it is not in the charter, it is in the Administration Code section of the Code. Ms. Williams asked Mr. Matuszak what dollar amount he is looking at changing it to. Mr. Matuszak said it would be something less than \$25,000.

Mr. Matuszak also requested that a line item be added for independent counsel to represent City Council. Mr. Matuszak reviewed the personnel services and fringe benefit line items in the Law Director section of the trial balance and the Mayor's proposed amended budget. He asked who is included in the employee line item. Ms. Kabat said that is the clerical help that the Law Director shares with the Tax Division. Mr. Matuszak asked what is included in the contract legal fees line item. Ms. Kabat explained that the bulk of it is for labor attorneys, but also includes legal fees for issues like the Fort Meigs Road eminent domain. Mr. Matuszak asked if all the fringe benefits pertain to the Law Director. Ms. Kabat said yes, other than those that pertain to the \$4,000 for employees. Mr. Matuszak asked about the line items Contract Prosecutor, Special Prosecutor and Contract – Labor in the Prosecutor section of the trial balance and the Mayor's proposed amended budget. Ms. Kabat said that Contract Prosecutor is for individuals that come in to assist with the caseload due to absences; the Special Prosecutor is for cases where there is some type of conflict of interest; and Contract Labor has been utilized for part time clerical help in the past but in 2018 that is now included in the Clerk Hire line item. Mr. Matuszak noted that the amount appropriated for Contract Prosecutor in the Mayor's proposed amended budget reveals an increase in the budgeted amount from 2017 to 2018 and asked how that could be the case given the fact that the Mayor was quoted earlier explaining that the Contract Prosecutor was just fired for budgetary concerns. Mr. McCarthy attempted to provide an explanation. Mr. Matuszak requested a listing of amounts paid to employees and contractors from the Law Director and Prosecutor budgets for 2017 and year-to-date in 2018 and a hard copy of the Prosecutor's Google calendar for 2017 and 2018 year-to-date. He also asked for a written explanation for the process of how the hours are approved and who approved payment of the Contractor Prosecutor's invoices. Mr. McCarthy asked that this information also be sent to the other committee members.

There being no further business, the meeting adjourned at 6:37 p.m.

Respectfully submitted,

Jim Matuszak, Chairman
Finance and Economic Dev. Committee

Next regular meeting: Tuesday, March 13, 2018 at 5:30 p.m.