FINANCE & ECONOMIC DEVELOPMENT COMMITTEE

JANUARY 8, 2019

The meeting was called to order at 5:32 p.m. by Chairman Jim Matuszak. Committee members present were Jim Matuszak and Becky Williams. Tim McCarthy was absent. 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.

ENERGY SPECIAL IMPROVEMENT DISTRICT

Ms. Kabat reminded the committee that Teresa Snyder from the Port Authority gave a presentation to the committee several months ago about creating an energy special improvement district. This type of district allows for loans to be made by the Port Authority (lender) to entities making qualified energy improvements to their properties (borrowers). The loan proceeds would be repaid by the borrowers via real property assessments to the affected properties. Ms. Kabat said that the YMCA has submitted an application for such an arrangement with the Port Authority. Mr. Matuszak asked the administration if they were aware of any other pending applications. Ms. Kabat said that the Port Authority said there was another business looking into it, but they did not provide its name.

The Ohio Revised Code requires three separate pieces of legislation be in place before an interested borrower can enter into this type of arrangement with the Port Authority. Since this is new to the City of Perrysburg, one-time legislation is required for the creation of the energy special improvement district. A resolution is further required to acknowledge the YMCA's application, and an ordinance is required to approve the assessment to the affected property. Ms. Alkire reviewed all of the legislation and removed any emergency language because the city's charter prohibits the passing of ordinances for assessments as emergency measures.

The Committee agreed 2-0 to recommend approval of the legislation creating the energy special improvement district, acknowledging the YMCA's application and approving the related assessment.

The legislation was to be presented to city council immediately following the committee meeting.

CREDIT CARD POLICY

Ms. Kabat stated that Ms. Alkire has not had a chance to review the proposed credit card policy, but the outside auditors did recommend two changes that were included in the last draft that was sent to the committee. Those changes include a city-wide monthly credit limit, and a quarterly review by the Deputy Finance Director of the number of cards, credit limits, and expiration dates for each of the cards. According to Ms. Kabat, the auditors told her that they have not been given any guidance by the State Auditor's office yet regarding any specific requirements for the new credit card policy. Mr. Matuszak asked what action is the administration requesting regarding the new credit card policy. Ms. Kabat said that they are requesting council's approval of an ordinance adopting the new policy. The Committee agreed 2-0 to recommend approval of the new credit card policy.

BANKING REPORT

Mr. Fisher presented the Committee with an investment summary. He said there is nothing material to report other than the bonds at Fifth-Third Bank have all matured and they are looking into other options.

FINANCE DIRECTOR'S REPORT

The Committee reviewed expenditures greater than $5,000 for December. Mr. Matuszak asked about the payment for video upgrades to City Council chambers. Ms. Kabat said that she would have Gary Kleinfelter put together a list of what was included in the upgrade. Ms. Williams asked about the payment to CMI regarding utility billing. Ms. Kabat explained that the payment was to the current software company, and not related to a new billing system.

Mr. Creps reported that the balance in the Health Insurance Fund as of December 31, 2018 was $865,179.53. Mr. Creps said that because of the large ending balance, we will see a significant decrease in the amount contributed to the fund in 2019. Mr. Matuszak asked if we will know the new contribution rates and amounts before the first budget amendment process is complete. Mr. Creps said we will and added that the current 2019 budget already includes a preliminary adjustment to the rates for the year based on an estimated ending balance in the fund. He admitted there could still be a slight additional decrease to the rates in the proposed budget amendments.

Mr. Creps requested approval of an ordinance accepting the Codified Ordinance update. He explained that this was already done once this year, but it was done again to include the charter amendments that were recently approved. The Committee agreed 2-0 to recommend approval.

TAX COMMISSIONER'S REPORT

Mr. Bronder stated that income tax collections for December were $1.472 million, which was down 15% from December 2017. He said that withholding was strong but individual and net profits saw a decline. Mr. Bronder explained that it could be a timing issue because last year the same month had a 17% increase, and it could have been due to changes in federal tax requirements and some people individuals paying all of their 2017 fourth quarter estimates in December 2017 (rather than in January 2018). He added that 150 taxpayers have opted into the state's central collection program to report and pay their net profits taxes and that there is a little lag time before the related payments are forwarded to the City of Perrysburg. Mr. Matuszak asked if we get any type of reporting from the state regarding what is due to the city, and he asked how we know if the returns are being prepared properly. Mr. Bronder said that we do not get any type of report, and it is now the state's responsibility to ensure that the returns are done correctly. Collections for 2018 ended up at $19.53 million which is up 1.3% from 2017 and is about $250,000 more than what had been budgeted.

There being no further business, the meeting adjourned at 6:11 p.m.

Respectfully submitted,

Jim Matuszak, Chairman
Finance & Economic Dev. Committee

Next meeting: Tuesday, February 12, 2019 at 5:30 p.m.