



**FINANCE COMMITTEE  
MONDAY OCTOBER 5, 2015**

**COMMITTEE MEETING:**

**PLACE: COUNCIL CHAMBERS  
7232 E. MAIN ST, REYNOLDBURG, OH 43068**

**1. Call to Order**

PRESENT: McGrady III, Clemens, Cotner, Long, Skinner, Joseph  
ABSENT: Barrett, Kelly

**2. Approval of Agenda**

Agenda stands as approved.

**3. Approval of Minutes**

Minutes stand approved.

**4. Discussion**

- a. Confirmation of Mayor's Appointment to the Licking County Tax Incentive Review Council - James E. Hood, City Attorney.

Mayor McCloud: Thank you Chairman Cotner and Members of Council, this is a housekeeping item. Obviously, we have to have a fully staffed Tax Incentive Review Council pursuant to statute. We have two members of that body whose terms are slated to expire at the end of the year, simply asking the Council to reappoint those respective individuals, Mr. Hood and Mr. Havener, to the Licking County Tax Incentive Council for a term of two years.

Chairman Cotner: Does anyone have any questions regarding these two appointments?

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|------------------|---------------------------------------------|---------------------------------|
| <b>RESULT:</b>   | <b>REFERRED [UNANIMOUS]</b>                 | <b>Next: 10/12/2015 7:30 PM</b> |
| <b>MOVER:</b>    | Barth R. Cotner, At Large                   |                                 |
| <b>SECONDER:</b> | Chris Long, At Large                        |                                 |
| <b>AYES:</b>     | McGrady III, Clemens, Cotner, Long, Skinner |                                 |
| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

- b. Confirmation of Mayor's Appointment to the Licking County Tax Incentive Review Council - Dan Havener, Development Director.

Chairman Cotner: This is the confirmation of the Mayor's appointment of Dan Havener to the Licking County Tax Incentive Review Council. Do we have any questions or comments?

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|------------------|---------------------------------------------|---------------------------------|
| <b>RESULT:</b>   | <b>REFERRED [UNANIMOUS]</b>                 | <b>Next: 10/12/2015 7:30 PM</b> |
| <b>MOVER:</b>    | Barth R. Cotner, At Large                   |                                 |
| <b>SECONDER:</b> | Dan Skinner, At Large                       |                                 |
| <b>AYES:</b>     | McGrady III, Clemens, Cotner, Long, Skinner |                                 |
| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

- c. Ordinance Authorizing City Auditor to Remove Equipment from the City's Fixed Asset List. (First Reading 10/12/2015).

Chairman Cotner: These are the 2005 Chrysler 300 and 2001 Toyota truck. Any questions? Would you like to give us an overview, just in case. It seems pretty clear cut.

Lt. Wright: Members of Council, Mayor, this is basically two vehicles that have blown up. One was a seizure vehicle, which was the Chrysler 300. And the other one was used by our drug guy, a 2001 Toyota truck, which he was trying to hold onto. He is very sentimental, but it finally blew up. Those are going to be scrapped and the money is going to go towards the General Fund, if I am not mistaken. There was some discussion with service about these, but the cost would exceed the value of the vehicles.

Chairman Cotner: Does anyone have any questions? I will make a motion we send this forward. Do you need to move this quickly or are we going to go through readings on this?

Lt. Wright: I think the readings are fine, Sir.

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| <b>MOVER:</b>    | Barth R. Cotner, At Large                   |                                 |
| <b>SECONDER:</b> | Mel Clemens, Ward IV                        |                                 |
| <b>AYES:</b>     | McGrady III, Clemens, Cotner, Long, Skinner |                                 |
| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

- d. Ordinance Authorizing Mayor to Enter into an Intergovernmental Working Agreement with the City of Columbus to Provide Fleet Management Services, and Declaring an Emergency. (First Reading 10/12/2015 ~ Requests Passage at Second Reading).

Chairman Cotner: Mr. Burd.

Mr. Burd: Thank you Chairman Cotner and Members of Council. We have two great mechanics on our staff that take care of our vehicles and our equipment. We also now have a motor unit within our Police department that has Harley Davidsons. And, in order for those to be maintained properly, we need Harley certified mechanics to work on them. The City of Columbus has Harley certified mechanics on their staff, and they have offered for us to utilize their services. So, this legislation will authorize an inter-governmental agreement with Columbus for the maintenance of these bikes. There are a few key reasons to do this. The first is that it is less expensive than sending it to a dealership. Under the terms of this agreement, the labor charges are \$75 per hour. At the dealership they are usually \$90 per hour. We think we will get prompt service from the City of Columbus and get our bikes back quickly when they are being repaired. There is really nothing that would keep us from

doing this. There is no requirement with Columbus that we have to send them a certain number of bikes a year. There is no minimum dollar threshold. If we send them nothing, that is fine. So, there is really no reason not to do it. The Police Department, Service Department, Street Department, City Attorney, all met on this a while back and thought this would be a smart thing to move forward on. Several other cities do use Columbus' fleet maintenance for specialized repairs like this, and we are certainly appreciative that they have invited us to participate, as well. The City of Columbus is currently in the process of approving legislation for their end of this agreement. I would ask that this pass as an emergency on the second reading. If it passes then, the passages will coincide with each other and we can get it filed. The reason we are requesting emergency language is so we can realize the cost savings immediately if we do have an issue arise in the next couple of weeks or so. If there are any questions, I will be happy to answer them.

Chairman Cotner: Do the motorcycles come out of service through the winter, or do they ride if they are capable of riding? I know we have heard from that before, but I can not quite remember what happens with this.

Lt. Wright: Sir, they will ride as long as they are capable of riding. We have bought these guys cold weather gear. This year in particular, Sgt. Mosher is requesting at least heated gear for Officer Triplet, who is the assigned full time motor unit officer, with the intent of putting him out there every day, except for a day that there is ice on the road, snow and ice. So, their plans are to ride year around as much as possible.

Chairman Cotner: We do not have side cars for these, do we.

Lt. Wright: No, Sir. Not yet, but I am sure Sgt. Mosher will be requesting that too.

Chairman Cotner: Does anyone else have questions?

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| <b>SECONDER:</b> | Dan Skinner, At Large                       |                                 |
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| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

- e. Ordinance to Enact Title Nine, Chapter 190 of the Codified Ordinances of the City of Reynoldsburg Regarding Municipal Income Tax and Declaring an Emergency. (First Reading 10/12/2015).

Mr. Harris: Thank you Chairman Cotner and Members of Council. You have received in your packet from the City Attorney, Brenda Browning our Tax Administrator, and myself, a very lengthy, fifty pages, this is the fruits of our labor, along with RITA and the Ohio Municipal League, who did a great deal of work on this and spent a lot of time on it, to help us comply with Substitute house Bill 5. You got a memo also, from Brenda, what some of the major changes were. I was not planning on spending a whole lot of time on that tonight. I will have Brenda and Jed here in a couple of weeks, at the next Committee meeting, so we can discuss it fully. If anyone has any questions in the meantime, and want to get them to us,

we will certainly answer them. Some of the major things this does is for business. Net profits and individual threshold for filing quarterly taxes went from \$50 to \$200. The big one of course was net operating losses, which we did not allow in the past, will be phased-in starting 2017. Same thing with the Pass Through Accounts, Sub Chapter S'. They will be taxed now at the S corporation level, rather than the individual level. So there are a few things like that in there. Most of the stuff, other than those things are very minor in nature. Things like, they have changed the Rule of Domicile slightly. The other one was occasional labor. We use to have a twelve day interment rule, and they went to a twenty day rule. The difference being a twelve days, if you spent more than twelve days working, we went back and taxed you from day one. Now after twenty days, they will start at day twenty-one. So, those are the main things, like I said I didn't think we would spend a lot of time talking about it tonight because I don't imagine anyone has had time to get through all fifty pages. But we will be back in two weeks to go over that. It does have to be signed and effective by January 1. So, I would appreciate it if you would send it forward for first reading tonight. So we can get it passed by the middle of November, and have it effective by the middle of December, so we make sure we make the January 1 deadline. If it's not passed, I cannot collect taxes.

Chairman Cotner: We are looking at three readings with an emergency on the third.

Mr. Harris: If you want the emergency, that is fine. I figured into the point that you really don't need it. If you want the emergency, that is fine, as long as it is effective by the end of December. The other thing we have done here is we are leaving the current 191 Code as it is. This will be an entirely new section of code. That is why it is fifty pages. And the reason for that being, what we collect next year in 2016, will be for tax year 2015, which will still be under the old rules. And, if they do any audits, they can go back six years. So, those rules will need to be left in affect for six years in case they have to go back, so, rather than trying to amend section 191, we just created a whole new section that will say, "Effective January 1, 2016." The other will have to be amended to say, "Ending 12/31/15."

Chairman Cotner: Does anyone have any other questions for the Auditor. Take some time to read this fun document.

Mr. Harris: It was a lot of work doing it. There was a lot of stuff to go through to get the ordinance written and those kinds of things. So, there is a lot of work involved with fifty pages of legal documents. It's all good.

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| <b>SECONDER:</b> | Dan Skinner, At Large                       |                                 |
| <b>AYES:</b>     | McGrady III, Clemens, Cotner, Long, Skinner |                                 |
| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

f. Ordinance Making Transfer of Funds from the Unappropriated Special Assessment Fund (320) to the Unappropriated General Fund. (First Reading 10/12/2015).

Mr. Harris: This is a request that came from the audit this year. Ordinance number 143.93 created Fund 320, which was to pay for special assessments. What this was used for, starting

back in the early nineties, there was a couple of areas that were in the Township at the time, Cottlestone, Windsor Forest on the southern end of the City, and Deerfield Estates on the northern end of the City, that were actually in the Township, and had wells, and the wells ran dry. So, the only way we could get water to those folks, they had to be annexed into the City because our contract with Columbus says we cant supply water to somebody that doesn't live in the City. So, they did these as a special assessment project. There was money put in the account, in that fund; they issued the debt, they paid for the assessments, they off set each other. Then, in 97, when they did the sewers, Cottlestone, Windsor Forest used this again. After 2009, there has been no activity on these accounts since all the bonds against it were paid off in 2009. And since we have to do a financial statement every year for every fund, the State would like to see this one get closed up so we do not have to use it any more. The money was originally taken from the General Fund. There was \$65,000 worth of seed money put in to start the process because sometimes these assessments take longer to get in, so you need some seed money in it. So, we ask that the \$28,734.66 that is left in there, be transferred back to the General Fund. If there are any questions on that rather lengthy explanation, I will try to answer them. This you can take three readings.

Mr. Cotner: Questions?

Mr. Harris: Thank you.

Chairman Cotner: Thank you very much.

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| <b>SECONDER:</b> | Mel Clemens, Ward IV                        |                                 |
| <b>AYES:</b>     | McGrady III, Clemens, Cotner, Long, Skinner |                                 |
| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

- g. Ordinance Authorizing Mayor to Enter into an Agreement with Bermex Inc., for Meter Reading Services and Declaring an Emergency. (Second Reading 10/12/2015 Requests Emergency Passage at Third Reading).

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| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

- h. Ordinance Authorizing Mayor to Enter into an Agreement with City of Columbus, for the 2016-2018 Water Sampling Services and Declaring an Emergency. (First Reading 9/28/2015 Requests Emergency Passage at Second Reading).

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| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

- i. Ordinance Authorizing Mayor to Enter into an Agreement with Ct Consultants for Professional Consulting and General Engineering Services. (Second Reading 10/12/2015).

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| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

- j. Ordinance Authorizing City Auditor to Remove Equipment from the City's Fixed Asset List. (Second Reading 10/12/2015).

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| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

- k. ORDINANCE APPROPRIATING FUNDS FROM UNAPPROPRIATED GENERAL FUND TO ACCOUNT 110.111.5362 (Equipment Maintenance) FOR DONATED MONIES RECEIVED. (Second Reading 9/28/2015)

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| <b>AYES:</b>     | McGrady III, Clemens, Cotner, Long, Skinner |                                 |
| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |

- l. Ordinance Authorizing Mayor to Enter into an Agreement with Evans, Mechwart, Hambleton & Tilton, Inc., ("Emh&T") for Professional Consulting and Structural Engineering Services. (Second Reading 9/28/2015).

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| <b>SECONDER:</b> | Mel Clemens, Ward IV                        |                                 |
| <b>AYES:</b>     | McGrady III, Clemens, Cotner, Long, Skinner |                                 |
| <b>ABSENT:</b>   | Barrett, Kelly                              |                                 |