BRUNSWICK CITY
FINANCE COMMITTEE

Agenda
OCTOBER 19, 2015
6:15 PM

1. Discussion Items

   (a) **RES. NO. 89-15 -** An emergency resolution accepting the amounts and rates as determined by the budget commission and authorizing the necessary tax levies and certifying them to the County Auditor - **1st Reading**

   (b) **RES. NO. 94-15** - A resolution authorizing the City Manager to enter into a one-year contract to engage James G. Zupka, CPA, Inc., to audit the City of Brunswick for the fiscal year ending December 31, 2015, and declaring an emergency **1st Reading.**

2. General Discussion

3. Adjournment

RESOLUTION NO.

BY: Mrs. Hanek, Mr. Abella, and Mr. Carl

AN EMERGENCY RESOLUTION ACCEPTING THE AMOUNTS AND RATES AS DETERMINED BY THE BUDGET COMMISSION AND AUTHORIZING THE NECESSARY TAX LEVIES AND CERTIFYING THEM TO THE COUNTY AUDITOR

(CITY COUNCIL)
Revised Code, Secs. 5705.34-5705.35

The Council of the City of BRUNSWICK , MEDINA

County, Ohio, met in ____________ session on the ________ day of ____________
(Regular Or Special)

20___, at the office of ______________________ with the following members

present:

____

____

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Mr./Mrs.______________________ moved the adoption of the following Resolution:

WHEREAS, This Council in accordance with the provisions of law has previously adopted a Tax Budget for the next succeeding fiscal year commencing January 1st, **2016** and

WHEREAS, The Budget Commission of MEDINA County, Ohio, has certified its action thereon to this Council together with an estimate by the County Auditor of the rate of each tax necessary to be levied by this Council, and what part thereof is without, and what part within, the ten mill tax limitation; therefore, be it

RESOLVED, By the Council of the City of BRUNSWICK , MEDINA County, Ohio, that the amounts and rates, as determined by the Budget Commission in its certification, be and the same are hereby accepted; and be it further

RESOLVED, That there be and is hereby levied on the tax duplicate of said City the rate of each tax necessary to be levied within and without the ten mill limitation as follows:

SCHEDULE A

SUMMARY OF AMOUNTS REQUIRED FROM GENERAL PROPERTY TAX APPROVED BY BUDGET COMMISSION AND COUNTY AUDITOR'S ESTIMATED TAX RATES

FUND	Amount to Be Derived from Levies Outside 10 M. Limitation	Amount Approved by Budget Commission Inside 10 M. Limitation	County Auditor's Estimate of Tax Rate to be Levied Inside 10 M. Limit	County Auditor's Estimate of Tax Rate to be Levied Outside 10 M. Limit
	Column II	Column IV	V	VI
General Fund		$1,513,200	2.30	
General Bond Retirement Fund				
Police Pension		$197,400	0.30	
Road Levy	$787,500			1.20
Recreation Fund				
Fund				
Fund				
TOTAL	$787,500	$1,710,600	2.60	1.20

SCHEDULE B

LEVIES OUTSIDE 10 MILL LIMITATION, EXCLUSIVE OF DEBT LEVIES

FUND	Maximum Rate Authorized to Be Levied	Co. Auditor's Est. of Yield of Levy (Carry to Schedule A, Column II)
GENERAL FUND:		
Current Expense Levy authorized by voters on ,20 for not to exceed years.		
Current Expense Levy authorized by voters on ,20 for not to exceed years.		
Current Expense Levy authorized by voters on ,20 for not to exceed years.		
Total General Fund outside 10m. Limitation.		
Road Levy authorized by voters on May 6, 2014 for not to exceed 10 years.	1.20	$787,500
Levy authorized by voters on ,20 for not to exceed years.		
Fund: Levy authorized by voters on for not to exceed years.		
Fund: Levy authorized by voters on ,20 for not to exceed years.		
Fund: Levy authorized by voters on ,20 for not to exceed years.		
Fund: Levy authorized by voters on ,20 for not to exceed years.		
THIS RESOLUTION IS DECLARED TO BE AN EMERGENCY MEASURE NECESSARY FOR THE IMMEDIATE PRESERVATION OF THE PUBLIC PEACE, PROPERTY, HEALTH, SAFETY, WELFARE, AND PROVIDING FOR THE USUAL DAILY OPERATION OF A MUNICIPALITY, AND FOR THE ADDITIONAL REASON THAT THIS RESOLUTION MUST BE FILED WITH THE MEDINA COUNTY AUDITOR AS SOON AS POSSIBLE. THEREFORE, THE SAME SHALL BE IN FULL FORCE AND EFFECT FROM AND AFTER ITS PASSAGE BY THE REQUIRED NUMBER OF VOTES.		

and be it further

RESOLVED, That the Clerk of this Council be and he is hereby directed to certify a copy of this Resolution to the County Auditor of Said County.

Mr./Mrs. ______________ seconded the Resolution and the roll being called upon its adoption the vote resulted as follows:

Mr./Mrs. ______________

Mr./Mrs. ______________

Mr./Mrs. ______________

Adopted the ________ day of ______________ ,20 ______.

____

Attest:

____
President of Council

____
Clerk of Council

CERTIFICATE OF COPY
ORIGINAL ON FILE

The State of Ohio, ____________________ County, ss.

I, ____________________________, Clerk of the Council of the City

of ________________________________ within and for said County, and in whose custody the Files and Records of said Council are required by the Laws of the State of Ohio to be kept, do hereby certify that the foregoing is taken and copied from the original ___________________________

____

____

now on file, that the foregoing has been compared by me with said original document, and that the same is a true and correct copy thereof.

WITNESS my signature, this ___________ day of _________________________________, 20_____

____
Clerk of Council

____

No. ________________________

____
COUNCIL OF THE CITY OF

____

_________________________ County, Ohio.

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EMERGENCY RESOLUTION
ACCEPTING THE AMOUNTS AND RATES
AS DETERMINED BY THE BUDGET
COMMISSION AND AUTHORIZING THE
NECESSARY TAX LEVIES AND CERTIFYING
THEM TO THE COUNTY AUDITOR

(City Council)

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Adopted ___________________, 20 ___

____
Clerk of Council

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Filed ______________________, 20 ____

____
County Auditor

By ______________________________
Deputy

MEDINA COUNTY BUDGET COMMISSION

144 North Broadway St., Room 301
Medina, Ohio 44256
Michael E. Kovack, Secretary
www.medinacountyauditor.org

Date: September 29, 2015

To: Township Fiscal Officers
Village Fiscal Officers/Clerks
City Finance Directors
Library Treasurers

From: MaryBeth Guenther, Tax Settlements
Medina County Auditor's Office

Re: Official Certificate of Estimated Resources and
Resolution Accepting Amounts and Rates

Enclosed please find your copies of the:

1. Official Certificate of Estimated Resources
2. Extension Letter from the Ohio Department of Taxation, and
3. Your Resolution Accepting Amounts and Rates.

The Extension Letter is for your audit next year. It indicates the reason for extending the dates for the Resolution Accepting Rates.

The Resolution Accepting the Amounts and Rates must be approved and sent back to our office by **October 30, 2015.**

If you have a replacement or renewal with an increase levy that passes on the ballot in November you will be sent another Resolution Accepting Rates after the election. This must be approved and sent back by **November 25, 2015.**

Thank you. If you have any questions please call me at 330.725.9781.

1000000020

Ohio Department of
TAXATION
Office of the Tax Commissioner
30 E. Broad St., 22nd Floor • Columbus, OH 43215

JOURNAL ENTRY

Date: JUL 10 2015

The Honorable Michael E. Kovack
Medina County Auditor
144 North Broadway Street, Room 301
Medina, Ohio 44256-1972

Entry Number: 15-07-0158

Re: Approval of Extension for the Medina County Budget Commission to Complete its Work

The Tax Commissioner, upon consideration of the application filed by the County Auditor, as secretary of the county budget commission, on July 7, 2015, for an extension of time beyond the statutory date of September first to complete its work, as provided by Revised Code section 5705.27, finds that the extension of time is necessary and approves October 1, 2015, as the date within which such work shall be completed, pursuant to Ohio Revised Code section 5705.341 (last para.).

The Tax Commissioner also extends the October first deadline contained in Ohio Revised Code section 5705.34 for the political subdivision to authorize the necessary tax levies to the auditor by the same number of days that the extension to certify rates is granted by this entry. Accordingly, the political subdivision must authorize the necessary tax levies to the auditor by October 30, 2015. The County Auditor must notify each political subdivision affected by this entry.

It is ordered that a copy of this entry be certified to the County Auditor, as secretary of the County Budget Commission.

I CERTIFY THAT THIS IS A TRUE AND ACCURATE COPY OF THE ENTRY RECORDED IN THE TAX COMMISSIONER'S JOURNAL.

JOSEPH W. TESTA
TAX COMMISSIONER

/s/ Joseph W. Testa

Joseph W. Testa
Tax Commissioner

SS

MAYOR
RON FALCONI

CITY MANAGER
ANTHONY J. BALES

CITY OF BRUNSWICK

To: Members of Council
From: Lynnette L. Ozanich, Assistant Finance Director
Date: October 9, 2015
Re: Analysis and Discussion of Audit and CAFR Cost Savings

The overall goal of the Finance Department is to ensure the City and its residents receive exceptional customer service and vastly benefit from our experience, knowledge, hard work, accountability, accuracy, skill sets, openness, flexibility, professionalism and teamwork. We have a shared base of practical and professional knowledge and we are open to and have previously implemented many new ideas to achieve efficiencies and cost savings. We are certainly proud to serve the City of Brunswick.

With that said, I would like to take this opportunity to share with you the following information. The Finance Department, along with the cooperation of many departments, as well as our audit firm and the Local Government Services of the Auditor of State, have been able to reduce our audit and related CAFR costs from $55,978.30 in 2002 to an average annual cost of $38,956.68 per year over the last 12 years. That is an annual average savings of $17,021.62 for a whopping cost savings of $204,259.44 over the last 12 years. I have included a chart below detailing the actual audit and related costs for the past 13 audit periods.

FY Audited	Audit/ Consulting Costs	CAFR Printing/Award Costs	Total Costs
2002#	54,584.80	1,393.50	55,978.30
2003*	42,150.88	983.73	43,134.61
2004	34,842.64	743.65	35,586.29
2005*	40,177.47	743.65	40,921.12
2006	36,319.47	743.27	37,062.74
2007	36,077.97	715.00	36,792.97
2008	38,612.03	685.34	39,297.37
2009	39,879.08	469.90	40,348.98
2010*	40,602.12	629.44	41,231.56
2011	37,893.50	655.14	38,548.64
2012*	41,451.00	635.06	42,086.06
2013*	37,007.50	635.06	37,642.56
2014*	34,201.50	625.76	34,827.26
* - Includes Single Audit Costs - Additional costs			
# - First Year Implementation of GASB 34 requirements - Additional costs			

The City has been very fortunate to have an extremely qualified staff who have timely and accurately coordinated the City's audit and compiled the City's financial statements; thus, keeping these costs extremely low. The combination of the Assistant Finance Director and the supervisory contract with Local Government Services has been determined to be the lowest and best cost option in the past. As such, we will continue a supervisory contract with the Auditor of State's Office/Local Government Services for the 2015 CAFR (prepared in 2016) at an estimated cost of $12,200, based on a previously agreed-upon contract.

Additionally, for the 2015 Audit/CAFR compilation, we would like to engage the services of James G. Zupka, CPA, Inc. The 2015 Audit, completed in 2016, represents the final year that the City is allowed to utilize the services of an outside audit firm. Beginning with the 2016 audit (completed in 2017), with the possibility of continuing for an undetermined number of years, the City will have Auditors from the Auditor of State's office. The cost for the 2015 audit, performed by Zupka, CPA, Inc., is estimated to be $26,964, provided the City does not require a Single Audit of any Federal programs. At this time, we do not anticipate needing such an Audit; however, we are requesting the authorization to include this item in our cost estimate. Should circumstances arise to necessitate a Single Audit, the additional cost would not exceed $3,780 without additional Council approval. It is important to note that the 2015 costs are anticipated to be higher than previous years due to requirements imposed by a new GASB statement, GASB 68, Accounting and Financial Reporting for Pensions. We expect this pronouncement to add 8 hours to our billable costs when compared to previous audits. Despite this additional audit item and an atmosphere of generally increasing costs, we are still well below costs experienced in the early 2000's.

The above information speaks volumes for the dedication and expertise of the City staff and demonstrates to the residents that their tax dollars are well spent. These types of savings allow the City to provide back other services to its residents that it otherwise could not.

We certainly work together to create a community of excellence.

Thank you.

CITY OF BRUNSWICK, OHIO
RESOLUTION NUMBER

By:

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A ONE YEAR CONTRACT TO ENGAGE JAMES G. ZUPKA, CPA, INC. TO AUDIT THE CITY OF BRUNSWICK FOR THE FISCAL YEAR ENDING, DECEMBER 31, 2015 AND DECLARING AN EMERGENCY

WHEREAS: Pursuant to Ohio Revised Code Section 115.56 when the Auditor of State determines that the Auditor's office will not audit a public office, the Auditor shall contract with a certified public accountant, public accountant, or an official governmental audit organization to perform this audit on behalf of the Auditor of State's Office; and

WHEREAS: If the City expends more than $750,000 in federal assistance in any given fiscal year on or after January 1, 2015, the City will be subject to a federal single audit under the A-133 Audit Standards. The federal single audit is an addition to the regular audit pursuant to Ohio Revised Code Section 117 and will require a contract modification, if necessary; and

THE COUNCIL OF THE CITY OF BRUNSWICK HEREBY ORDAINS:

SECTION 1: That the City Manager is hereby authorized to enter into a one year agreement to engage James G. Zupka, CPA., Inc. to audit the basic financial statements of the City for the fiscal year ending December 31, 2015 for an annual cost not to exceed $26,964 with an option to modify the contract up to an additional $3,780 to conduct a federal single audit under the A-133 Audit Standards if the City of Brunswick expends more than $750,000 in federal awards for the fiscal year end December 31, 2015.

SECTION 2: This Resolution is declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety, welfare, and providing for the usual daily operation of a municipal department, and for the additional reason to comply with Ohio Revised Code Section 115.56. Therefore, the same shall be in full force and effect from and after its passage by the required number of votes.

PASSED: 1st Reading ________________

Rules Suspended: AYES _ NAYS

ADOPTED: ____________________ AYES _NAYS

CITY OF BRUNSWICK, OHIO
RESOLUTION NUMBER

ATTEST: ________________________________

Clerk of Council
Barbara J. Ortiz, CMC