

Minutes of the Village of Holland Council Meeting
Held Tuesday, October 6, 2015

At 7:45 pm Mayor Mike Yunker called the meeting to order. Council members Roger Burditt, Mike Bettinger, Elaine Olsen, President Lee Irons, Noah Stone and Terry Nachtrab along with Village Attorney Phil Dombey and Clerk-Treasurer Lyn Krasula were all in attendance. Mr. Stone made a motion to approve the minutes from the 9/15/15 council meeting as presented by the Clerk-Treasurer. Mrs. Olsen seconded the motion with roll call carrying six ayes.

Mr. Stone informed council of a purchase made without a properly issued purchase order. During the alarm system test at the Lodge, Bob Simpson authorized the batteries in the key panel. The invoice for the batteries was separate from the system inspection and Mr. Simpson did not get a separate PO as he assumed they would be billed together. Mr. Stone made a motion to authorize the Clerk-Treasurer to issue a PO for Asset Protection Co for the alarm system key panel batteries in the amount of \$75.08 as received. Mr. Irons seconded the motion with roll call carrying six ayes.

Mayor Yunker gave an update on the new pee-wee ball field under construction. The hydro seeding has been completed and he is working on fencing quotes. Rules and guidelines for use of the field will need to be established. Also, a name for the field will need to be chosen.

Mayor Yunker reviewed the annual application from Midwest Tape for their Job Creation & Expansion grant. This program is an incentive for businesses to locate within the Village. Midwest Tape has filed their 2014 grant request and the tax administrator has reviewed and verified the data. The Village program is set up to award businesses after they have met all the criteria for the previous year, instead of some programs which pay in advance. Mr. Irons made a motion to honor our commitment to Midwest Tape and to award the 2014 grant as a tax credit in the amount of \$190,624. Mr. Burditt seconded the motion with roll call carrying six ayes.

Mr. Irons made a motion to suspend regular rules of council to allow Ordinance No. 21 to 24-2015 to be read by title only. Mrs. Olsen seconded the motion with roll call carrying six ayes. First reading of Ordinance No. 21-2015, AN ORDINANCE PROVIDING FOR THE RE-ENACTMENT OF CERTAIN SECTIONS OF ORDINANCE NO. 19 AND 20-2015, was read by title only. Mr. Irons made a motion to suspend regular rules of council to allow passage on the first and final reading. Mr. Stone seconded the motion with roll call carrying six ayes. Mr. Irons made a motion to approve the first and final reading. Mr. Burditt seconded the motion with roll call carrying six ayes.

Tax Administrator Terri Dugan was present and discussed with council Ordinance No. 22-2015. Mrs. Dugan explained that a new version of the Village's tax Ordinance was necessary due to sweeping changes made by the 130th General Assembly under House Bill No. 5. Due to passage of HB 5 by the State, the Village must adopt a new tax ordinance by 1/1/2016. Our current tax ordinance, HCO 109, will remain in effect through 12/31/2015 and until 2021, the Village will have 2 tax ordinances in effect, until the 2015 statute of limitations on filing is exceeded. The new ordinance will be HCO chapter 110. Any municipality that does not pass a new tax ordinance that is not in conflict with chapter 718 of the ORC is in danger of losing its ability to enforce an income tax. This new chapter 110 was a model ordinance designed by RITA, the Village's new income tax collection agency, and meets all of ORC chapter 718 requirements. Some items were allowed to be set by the individual municipalities, like the tax rate and reciprocity credit for example. RITA has asked that their municipalities enact the new

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ordinances prior to 11/15 so they have time to get prepared for 2016. The Village will also have to adopt RITA's rules and regulations which helps to support and explain the ordinance. RITA is in the process of amending the rules to comply with chapter 718 and they should be done by the end of October. Mrs. Dugan stated that the new tax code is very confusing and complicated. As an example Mrs. Dugan stated the 5 year carry-forward for business losses will cost some municipalities that did not previously allow for this length of time a lot of money. Even though the Village already had a 5 year carry forward allowance in its current ordinance, the Village must follow the new 5 year gradual scale which is a very complicated process. Other examples of changes include if taxes due are \$10 or less, they are not due for payment. Tax refunds of \$10 or less will not be paid. New requirements for monthly estimated payments will be mandatory if the amount owed is \$250 or more in the prior year. RITA will be sending invoices to those affected. New penalty and interest fees have been established by the State. New penalties for late filing is \$25 per month that information is later up to a \$250 maximum. Interest fees will be determined every July 1. Mayor Yunker stated it was especially important that Village businesses and residents understand that these changes have not been made by the Village or its new relationship with RITA. These changes are the result of the state legislature changing and mandating a new tax code. Mrs. Dugan agreed and stated the Village is being forced to accept and make these changes. The Village will suffer some tax revenue loss, but she is hoping the amount will not be huge, however there is no way to calculate the estimated losses.

First reading of Ordinance No. 22-2015, AN ORDINANCE CREATING CHAPTER 110 OF THE CODIFIED ORDINANCES OF HOLLAND – INCOME TAX, was read by title only.

First reading of Resolution No. 23-2015, 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, was read by title only. Mr. Irons made a motion to approve the first and final reading. Mrs. Olsen seconded the motion with roll call carrying six ayes.

First reading of Ordinance No. 24-2015, ACCEPTING THE PROPOSAL OF VOLUNTEER ENERGY SERVICES, INC. TO PROVIDE NATURAL GAS SUPPLIES THROUGH OPT-OUT AGGREGATION TO ELIGIBLE RESIDENTIAL AND SMALL BUSINESSES IN THE VILLAGE OF HOLLAND, AND DECLARING AN EMERGENCY, was read by title only. Attorney Phil Dombey informed council that Palmer Energy received 13 bids for the gas aggregation services and Volunteer Energy was the best bidder with a 17 month program which will end with the April, 2017 billing, covering 2 winters. The bid guarantees that the consumer will never pay a rate more than Columbia Gas and should save the average small business or homeowner between \$8 and \$23 per month on gas service. The contract starts with the 12/2015 billing and the rate is pegged to be below Columbia Gas rates. Mayor Yunker asked if this is the usual opt-out program where all residents are included in the program unless they specifically opt-out. Mr. Dombey stated yes, they will be locked into this new contract if they are currently with Columbia Gas and not under a contract with them or another supplier. Mr. Irons made a motion to suspend regular rules of council to allow passage on the first and final reading as an emergency. Mrs. Olsen seconded the motion with roll call carrying six ayes. Mr. Irons made a motion to approve the first and final reading as an emergency. Mrs. Olsen seconded the motion with roll call carrying six ayes.

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After review, Mr. Burditt made a motion to approve payment of the bills totaling \$63,825.25 as presented by the Clerk-Treasurer. Mr. Irons seconded the motion with roll call carrying six ayes.

Cintas	\$18.41	Mayors Assn Of Ohio	\$40.00	Auto Zone	\$35.38
Wolf Creek	100.00	Pamela Toney	100.00	Speedway	2,875.97
Dept Of Public	1,358.76	Mrr Inc	181.66	Ohio Calibration	174.00
Yankee Doodle Flag	49.00	Recommunity	239.10	Dept Of Public	142.40
Waste Management	1,484.88	Always Care	1,378.25	Catherine Hall	100.00
Kathleen Hunter	100.00	Joan Hendrzak	400.00	Medical Mutual	20,653.84
Cdw Government	604.62	Dept Of Public	2,441.92	Lake Business	41.04
Lake Business	65.91	Southeastern	1,315.00	Health & Fitness	1,903.00
Nextel	234.55	Toledo Edison	501.06	Toledo Edison	700.75
Toledo Edison	706.61	Toledo Edison	36.04	Toledo Edison	49.41
Toledo Edison	38.20	Toledo Edison	30.72	Toledo Edison	36.76
Toledo Edison	286.43	Signature Bank	208.24	Signature Bank	640.20
Signature Bank	13.87	Signature Bank	89.98	Signature Bank	392.41
Signature Bank	71.97	Signature Bank	125.98	Kester Mowing	5,420.00
Loralee Schroeder	113.20	Cintas	68.82	Thomas Sturm	128.94
Stoneco Inc	51.85	Frames Pest	100.00	Stoneco	239.58
Stoneco	65.49	Stoneco	67.70	Stoneco	76.35
Mrr Inc	985.17	Consumer Driven	236.25	Tireman Auto	21.99
Frames Pest	40.00	Tireman Auto	21.99	Lott Industries	100.00
Cintas	80.10	Tireman	467.02	Grainger	34.86
City Of Sylvania	3,000.00	O P E R S	4,984.70	Ohio Police	7,554.92

There being no further business, at 8:30 pm Mr. Bettinger made a motion to adjourn the council meeting. Mr. Burditt seconded the motion with the motion carrying six ayes.

Lyn Krasula, Clerk-Treasurer

Mike Yunker, Mayor