



AGENDA
CUYAHOGA COUNTY FINANCE & BUDGETING COMMITTEE MEETING
MONDAY, JANUARY 29, 2018
CUYAHOGA COUNTY ADMINISTRATIVE HEADQUARTERS
C. ELLEN CONNALLY COUNCIL CHAMBERS – 4TH FLOOR
1:00 PM

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PUBLIC COMMENT RELATED TO THE AGENDA**
- 4. APPROVAL OF MINUTES FROM THE DECEMBER 4, 2017 MEETING**
- 5. DISCUSSION**
 - a) Quarterly review of Enterprise Resource Planning (ERP) system
- 6. MATTERS REFERRED TO COMMITTEE**
 - a) R2018-0010: A Resolution authorizing the use of a portion of the proceeds of the Cuyahoga County Sales Tax Revenue Bonds, Series 2014 (County Facilities Improvement), in an aggregate principal amount not-to-exceed \$24,000,000.00 for the purposes of paying certain costs of demolition of blighted and nuisance properties and making grants therefor; authorizing other actions related to the use of such proceeds; and declaring the necessity that this Resolution become immediately effective.
- 7. MISCELLANEOUS BUSINESS**
- 8. OTHER PUBLIC COMMENT**
- 9. ADJOURNMENT**

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MINUTES

CUYAHOGA COUNTY FINANCE & BUDGETING COMMITTEE MEETING

MONDAY, DECEMBER 4, 2017

CUYAHOGA COUNTY ADMINISTRATIVE HEADQUARTERS

C. ELLEN CONNALLY COUNCIL CHAMBERS – 4TH FLOOR

1:00 PM

1. CALL TO ORDER

Chairman Miller called the meeting to order at 1:04 p.m.

2. ROLL CALL

Mr. Miller asked Assistant Deputy Clerk Johnson to call the roll. Committee members Miller, Jones, Simon, Gallagher and Brown were in attendance and a quorum was determined. Committee member Schron entered the meeting after the roll call was taken. Committee member Hairston was absent from the meeting. Councilmembers Baker and Brady were also in attendance.

3. PUBLIC COMMENT RELATED TO THE AGENDA

Ms. Gloria Aron and Ms. Gail Long addressed the Committee regarding Resolution No. R2017-0226, a Resolution approving The MetroHealth System Year 2018 Budget.

4. APPROVAL OF MINUTES FROM THE NOVEMBER 20, 2017 MEETING

A motion was made by Ms. Brown, seconded by Mr. Schron and approved by majority vote to approve the minutes of the November 20, 2017 meeting, with Ms. Simon abstaining from the vote.

5. MATTERS REFERRED TO COMMITTEE

[Clerk's Note: Resolution No. R2017-0227 was read into the record and approved before Resolution No. R2017-0226]

- a) R2017-0226: A Resolution approving The MetroHealth System Year 2018 Budget, in accordance with Ohio Revised Code Section 339.06(D), with the understanding that the allocation of County funds to the System will be made through adoption of the 2018/2019 Biennial Operating Budget and Capital Improvements Program for 2018; and declaring the necessity that this Resolution become immediately effective.

Dr. Akram Boutros, President and Chief Executive Officer of The MetroHealth System, addressed the Committee regarding Resolution No. R2017-0226. Discussion ensued.

Committee members asked questions of Dr. Boutros pertaining to the item, which he answered accordingly.

On a motion by Mr. Schron with a second by Ms. Brown, Resolution No. R2017-0226 was considered and approved by unanimous vote to be referred to the full Council agenda with a recommendation for passage under second reading suspension of the rules.

- b) R2017-0227: A Resolution approving The MetroHealth System's policies and procedures to participate in one or more joint purchasing associations for the purpose of acquiring supplies, equipment and services provided through joint purchasing arrangements in order to achieve beneficial purchasing arrangements for the year 2018, in accordance with Ohio Revised Code Section 339.05; and declaring the necessity that this Resolution become immediately effective.

Mr. Miller addressed the Committee regarding Resolution No. R2017-0227. Discussion ensued.

On a motion by Mr. Schron with a second by Ms. Brown, Resolution No. R2017-0227 was considered and approved by unanimous vote to be referred to the full Council agenda with a recommendation for passage under second reading suspension of the rules.

A brief recess was taken by the Committee, after which, Mr. Miller then Miller reconvened the meeting.

- c) R2017-0232: A Resolution authorizing an amendment to Contract No. CE1600270-01 with Hylant Group, Inc. for insurance brokerage and risk management services for the period 1/1/2017 - 12/31/2017 to extend the time period to 12/31/2018 and for additional funds in the amount not-to-exceed \$1,445,000.00; authorizing the County Executive to execute the amendment and all other documents consistent with this Resolution; and declaring the necessity that this Resolution become immediately effective.

Ms. Darlene White, Deputy Director of Risk Management, addressed the Committee regarding Resolution No. R2017-0232. Discussion ensued.

Committee members asked questions of Ms. White pertaining to the item, which she answered accordingly.

On a motion by Ms. Simon with a second by Ms. Brown, Resolution No. R2017-0232 was considered and approved by unanimous vote to be referred to the full Council agenda with a recommendation for passage under second reading suspension of the rules.

6. MISCELLANEOUS BUSINESS

There was no miscellaneous business.

7. OTHER PUBLIC COMMENT

There were no public comments given.

8. ADJOURNMENT

With no further business to discuss, Chairman Miller adjourned the meeting at 2:15 p.m., without objection.

County Council of Cuyahoga County, Ohio

Resolution No. R2018-0010

Sponsored by: County Executive Budish/Fiscal Officer/Office of Budget and Management	A Resolution authorizing the use of a portion of the proceeds of the Cuyahoga County Sales Tax Revenue Bonds, Series 2014 (County Facilities Improvement), in an aggregate principal amount not-to-exceed \$24,000,000.00 for the purposes of paying certain costs of demolition of blighted and nuisance properties and making grants therefor; authorizing other actions related to the use of such proceeds; and declaring the necessity that this Resolution become immediately effective.
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WHEREAS, the County of Cuyahoga, Ohio (the “County”) has heretofore issued its \$137,980,000 Various Purpose Sales Tax Revenue Bonds (the “Series 2014 Bonds”), of which, pursuant to Resolution R2014-0255 (the “County Facilities Bond Resolution”), \$122,000,000 was issued for the purpose of paying or reimbursing the costs of constructing, maintaining, expanding, refurbishing, renovating, upgrading, improving, furnishing, and equipping certain County Facilities (as such term is defined in the County Facilities Bond Resolution), as well as for the purpose of paying capitalized interest on the Series 2014 Bonds and paying the costs of issuance in connection therewith; and

WHEREAS, the County has determined not to proceed at this time with the construction of the Emergency Operations Center project (the “Original County Emergency Operations Center Project”) or the Medical Examiner’s Building for the County Data Center project (the “Original County Data Center Project”, together with the Original County Emergency Operations Center Project, the “Original Projects”) both of which were included as part of the County Facilities to be financed with the Series 2014 Bonds; and

WHEREAS, the revised projects will be less costly than the Original Projects; and

WHEREAS, this Council has determined that a portion of the proceeds of the Series 2014 Bonds that would have been allocable to the Original Projects in the principal amount not to exceed \$24,000,000 (\$10 million from the Original County Emergency Operations Center Project and \$14 million from the Original County Data Center Project) should be used for the purpose of paying the costs of demolition

of blighted and nuisance properties and making grants to municipalities and community improvement corporations therefor, as described in Section 1 herein and in Cuyahoga County Code Chapter 807 (the “Demolition Project”); and

WHEREAS, this Council hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Council, and that all the deliberations of this Council, and of its committees, if any, which resulted in formal actions, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Ohio Revised Code; and

WHEREAS, the Fiscal Officer of this County has certified that the estimated life of the Demolition Project described in Section 1 hereof is at least five (5) years, and that the estimated maximum maturity of the portion of the Series 2014 Bonds allocable to the Demolition Project is at least thirty (30) years; and

WHEREAS, it is necessary that this Resolution become immediately effective in order that the usual daily operation of the County be continued and the public peace, health or safety of the County be preserved.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. Additional Purpose for Series 2014 Bonds. It is necessary to use an amount not-to-exceed \$24,000,000 of the portion of the proceeds of the Series 2014 Bonds issued pursuant to the County Facilities Bond Resolution, which are a part of the issue of Series 2014 Bonds, that would have been allocable to the Original Projects for the purpose of paying the costs of demolition of blighted and nuisance properties and making grants to municipalities and community improvement corporations therefor, as described in Cuyahoga County Code Chapter 807 (the “Demolition Project”), and for the purpose of paying capitalized interest on the Series 2014 Bonds and paying the costs of issuance in connection therewith.

SECTION 2. Designation of Bonds. The portion of the Series 2014 Bonds allocable to the Demolition Project shall be redesignated “*Cuyahoga County Sales Tax Revenue Bonds, Series 2014 (Demolition Project)*”.

SECTION 3. Application of Bond Proceeds. The proceeds of sale of the Series 2014 Bonds have been allocated and deposited as provided in the Indenture (as defined in the County Facilities Bond Resolution); provided, however, that the Demolition Project shall be deemed to be a “Series 2014 Project” pursuant to the Indenture.

SECTION 4. Series 2014 Bonds are Special Obligations and Provisions for Levy and Collection of County Sales Tax. The Series 2014 Bonds are special obligations of the County, and the principal of and interest (and any premium) on the

Series 2014 Bonds are payable solely from the Pledged Revenues and the Pledged Funds (as such terms are defined in the County Facilities Bond Resolution), together with other available funds of the County, and such payment is secured by a pledge of and a lien on the Pledged Revenues and the Pledged Funds as provided by the Chapter 133 of the Revised Code, the County Facilities Bond Resolution and this Resolution.

As used herein, the following terms shall be defined as follows:

“*Act*” means Chapter 133, Ohio Revised Code, as enacted and amended from time to time.

“*Continuing County Sales Tax*” means the one percent (1%) County Sales Tax adopted July 6, 1987, by the Board of County Commissioners (the “Board”), as the predecessor legislative authority to the Council, authorizing the levy and County collection of sales and use taxes for the purpose of providing additional general revenues for the County on a continuous basis.

“*County Executive*” means the County Executive of the County; provided, for purposes of the signing of documents, certificates and other instruments other than the Bonds and the Official Statement, County Executive includes the County Executive’s Chief of Staff as the County Executive’s designee pursuant to Executive Order No. EO2015-0001 and any other person duly designated by the County Executive.

“*County Sales Tax*” means the one and one-quarter percent (1.25%) County Sales Tax authorized under Sections 5739.021 and 5741.021 of the Ohio Revised Code pursuant to the County Sales Tax Resolutions.

“*County Sales Tax Resolutions*” means (i) the resolution authorizing the Continuing County Sales Tax, (ii) the resolution adopted by the Board on July 26, 2007, authorizing an increase in the County sales and use taxes to a rate of one and one-quarter percent (1.25%); and (iii) any renewals or extensions thereof, for the purpose of providing additional general revenues for the County.

“*County Sales Tax Bond Fund*” means the County Sales Tax Bond Fund created by the Indenture.

“*County Sales Tax Receipts*” means the monies received by the County from the County Sales Tax.

“*County Sales Tax Revenue Fund*” means the County Sales Tax Revenue Fund created by the Indenture.

“*Fiscal Officer*” means the Fiscal Officer of the County, including an interim or acting Fiscal Officer.

The County has heretofore levied and covenants that it shall continue to collect the

County Sales Tax for so long as the Series 2014 Bonds are outstanding. The County hereby covenants and agrees that, so long as the Series 2014 Bonds are outstanding, it shall not suffer the repeal, amendment or any other change in this Resolution or the County Sales Tax Resolutions that in any way materially and adversely affects or impairs (a) the sufficiency of the County Sales Tax Receipts levied and collected or otherwise available for the payment of the Series 2014 Bonds or (b) the pledge or the application of the County Sales Tax Receipts to the payment of the Series 2014 Bonds.

The Series 2014 Bonds do not constitute a general obligation debt, or a pledge of the full faith and credit, of the State, the County, or any other political subdivision of the State, and the holders or owners of the Series 2014 Bonds have no right to have taxes levied by the general assembly or property taxes levied by the taxing authority of any political subdivision of the State, including the taxing authority of the County, for the payment of principal of and interest (and any premium) on the Series 2014 Bonds. Nothing herein shall be construed as requiring the County to use or apply to the payment of principal of and interest (and any premium) on the Series 2014 Bonds any funds or revenues from any source other than County Sales Tax Receipts. Nothing herein, however, shall be deemed to prohibit the County, of its own volition, from using, to the extent that it is authorized by law to do so, any other resources for the fulfillment of any of the terms, conditions or obligations of this Resolution or of the Series 2014 Bonds.

SECTION 5. Federal Tax Considerations. The County has covenanted and hereby covenants that it will use, and will restrict the use and investment of, the proceeds of the Series 2014 Bonds, including the proceeds of the Series 2014 Bonds used for the Demolition Projects, in such manner and to such extent as may be necessary so that (a) the Series 2014 Bonds will not (i) constitute private activity bonds, arbitrage bonds or hedge bonds under Sections 141, 148 or 149 of the Internal Revenue Code of 1986, as amended (the “Code”) or (ii) be treated other than as bonds to which Section 103(a) of the Code applies, and (b) the interest on the Series 2014 Bonds will not be treated as an item of tax preference under Section 57 of the Code.

The County further has covenanted and hereby covenants that (a) it will take or cause to be taken such actions that may be required of it for the interest on the Series 2014 Bonds to be and remain excluded from gross income for federal income tax purposes, (b) it will not take or authorize to be taken any actions that would adversely affect that exclusion, and (c) it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Series 2014 Bonds to the governmental purpose of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate payments to the federal government, (iv) maintain books and records and make calculations and reports and (v) refrain from certain uses of those proceeds, and, as applicable of property financed with such proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code.

The County Executive, the Fiscal Officer or any other officer of the County having responsibility for issuance of the Series 2014 Bonds and the use of the proceeds of such Series 2014 Bonds for the purposes therein provided, is hereby authorized (a) to make or effect any election, selection, designation, choice, consent, approval, or waiver on behalf of the County with respect to the Series 2014 Bonds as the County is permitted to or required to make or give under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or status of the Series 2014 Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments or penalties, or making payments of special amounts in lieu of making computations to determine, or paying, excess earnings as rebate, or obviating those amounts or payments, as determined by that officer, which action shall be in writing and signed by the officer, and (b) to take any and all other actions, make or obtain calculations, make payments, and make or give reports, covenants and certifications of and on behalf of the County, as may be appropriate to assure the exclusion of interest from gross income and the intended tax status of the Series 2014 Bonds.

SECTION 6. Certification and Delivery of Resolution. The Clerk of this Council is directed to deliver or cause to be delivered a certified copy of this Resolution to the Fiscal Officer.

SECTION 7. Captions and Headings. The captions and headings in this Resolution are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Sections, subsections, paragraphs, subparagraphs or clauses hereof. Reference to a Section means a section of this Resolution unless otherwise indicated.

SECTION 8. Effective Date. It is necessary that this Resolution become immediately effective for the usual daily operation of the County; the preservation of public peace, health or safety of the County; and any additional reasons set forth in the preamble. Provided that this Resolution receive the affirmative vote of at least eight members of the Council, it shall take effect and be in force immediately upon the earliest to occur of any of the following: (a) its approval by the County Executive through signature, (b) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, and (c) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

SECTION 9. Compliance with Open Meeting Requirements. This Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in those formal actions were held, in meetings open to the public in compliance with the law, including Section 121.22 of the Ohio Revised Code.

On a motion by _____, seconded by _____, the foregoing Resolution was duly adopted.

Yeas:

Nays:

County Council President

Date

County Executive

Date

Clerk of Council

Date

First Reading/Referred to Committee: January 9, 2018

Committee(s) Assigned: Finance & Budgeting

Journal _____
_____, 2018