



AGENDA
CUYAHOGA COUNTY FINANCE & BUDGETING COMMITTEE MEETING
MONDAY, APRIL 16, 2012
CUYAHOGA COUNTY JUSTICE CENTER
COUNCIL CHAMBERS – 1ST FLOOR
1:00 PM

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PUBLIC COMMENT RELATED TO THE AGENDA**
- 4. APPROVAL OF MINUTES FROM THE APRIL 2, 2012 MEETING**
- 5. MATTERS REFERRED TO COMMITTEE**
 - a) R2012-0068: A Resolution authorizing a revenue generating agreement with Woods Cove II LLC, as purchaser, and Axis Capital Management, Inc., as servicer, in the amount not-to-exceed \$7,000,000.00 for the sale of tax lien certificates; authorizing the County Executive to execute the agreement and all other documents consistent with this Resolution; and declaring the necessity that this Resolution become immediately effective.
 - b) R2012-0069: A Resolution amending the 2012/2013 Biennial Operating Budget for 2012 by providing for an additional fiscal appropriation from the General Fund in order to meet the budgetary needs of a County department; and declaring the necessity that this Resolution become immediately effective.
- 6. MISCELLANEOUS BUSINESS**
- 7. OTHER PUBLIC COMMENT**
- 8. ADJOURNMENT**

*In accordance with Ordinance No. O2011-0020, complimentary parking in the Huntington Park Garage will be available for the public **beginning at 4:00 p.m.** on any day when the Council or any of its committees holds evening meetings. Please see the Clerk to obtain a parking pass.



MINUTES

**CUYAHOGA COUNTY FINANCE & BUDGETING COMMITTEE MEETING
MONDAY, APRIL 2, 2012
CUYAHOGA COUNTY JUSTICE CENTER
COUNCIL CHAMBERS – 1ST FLOOR
1:00 PM**

1. CALL TO ORDER

Chairman Miller called the meeting to order at 1:05 p.m.

2. ROLL CALL

Assistant Deputy Clerk Thurman called the roll. Committee members Miller, Gallagher, Greenspan, Schron and Germana were in attendance and a quorum was determined. Committee members Simon and Jones were absent from the meeting. Councilmember Brady also in attendance.

3. PUBLIC COMMENT RELATED TO THE AGENDA

No public comments were given.

4. APPROVAL OF MINUTES FROM THE MARCH 5, 2012 MEETING

A motion was made by Mr. Germana, seconded by Mr. Schron and approved by unanimous vote to approve the minutes from the March 5, 2012 meeting.

5. MATTERS REFERRED TO COMMITTEE

- a) R2012-0051 A Resolution approving the City of Cleveland to retain certain City Land Bank parcels for devotion to public use as an East Side Maintenance Facility, and declaring the necessity that this Resolution become immediately effective:

- 1) No. 126-37-038
- 2) No. 126-37-039
- 3) No. 126-37-040
- 4) No. 126-37-041
- 5) No. 126-37-042
- 6) No. 126-37-043
- 7) No. 126-38-016
- 8) No. 126-38-017
- 9) No. 126-38-018

Mr. James DeRosa, Commissioner of Real Estate for the City of Cleveland, and Mr. Robert Vilkas, Manager of the Division of Architecture and Site Development for the City of Cleveland, addressed the Committee regarding Resolution No. R2012-0051. Discussion ensued.

Committee members and Councilmembers asked questions of Mr. DeRosa and Mr. Vilkas pertaining to the item, which they answered accordingly.

On a motion by Mr. Gallagher with a second by Mr. Germana, Resolution No. R2012-0051 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 rules.

- b) O2011-0056: An Ordinance establishing a General Fund, Fund Balance Reserve Policy and Replenishment Plan, and declaring the necessity that this Ordinance become immediately effective.

Mr. Wade Steen, Fiscal Officer, addressed the Committee regarding Ordinance No. O2011-0056. Discussion ensued.

Committee members and Councilmembers asked questions of Mr. Steen pertaining to the item, which he answered accordingly.

Chairman Miller introduced several written amendments on the floor.

A motion was made by Chairman Miller, seconded by Mr. Schron and approved by unanimous vote to amend Ordinance No. O2011-0056 as follows:

To amend Section 1 to read "*The County Council establishes 25% (twenty-five percent) of the current fiscal year's General Fund ongoing budgeted operating expenditures as a General Fund, fund balance reserve*";

To amend Section 2 by inserting a comma after "expenditures," inserting the phrase "*or otherwise settle legal disputes and claims*" after "*and pay judgments*," and deleting "*on*" and replacing it with "*one*"; and

To amend Section 3B by deleting "*with the assistance of the Director of Budget and Management.*"

A motion was then made by Chairman Miller, seconded by Mr. Greenspan and approved by unanimous vote to amend Section 3B by deleting "*Council*" and replacing it with "*County*" and deleting "*in cooperation with the County Executive*" and replacing it with "*by resolution.*"

A motion was made by Mr. Germana, seconded by Chairman Miller and approved by unanimous vote to amend Section 4 by deleting "*Council*" and replacing it with "*County Executive and County Council.*"

On a motion by Mr. Greenspan with a second by Mr. Schron, Ordinance No. O2011-0056 was considered and approved by unanimous vote to be referred to the full Council agenda for second reading, as amended.

- c) O2011-0058: An Ordinance establishing a Health and Human Services Levy Fund, Fund Balance Reserve Policy and Replenishment Plan, and declaring the necessity that this Ordinance become immediately effective.

Chairman Miller introduced a substitute to Ordinance No. O2011-0058. Discussion ensued.

A motion was then made by Chairman Miller, seconded by Mr. Germana and approved by unanimous vote to accept the proposed substitute to Ordinance No. O2011-0058.

A motion was made by Chairman Miller with a second by Mr. Greenspan and approved by unanimous vote to amend Ordinance No. O2011-0058 as follows:

To amend Section 1 to read "*The County Council hereby establishes 10% (ten percent) of the current fiscal year's Health and Human Services Levy Fund ongoing budgeted operating expenditures as a Health and Human Services Levy Fund, fund balance reserve, except that the Health and Human Services Levy Fund, fund balance reserve shall be 15% (fifteen percent) through December 31, 2013*";

To amend Section 2 by inserting a comma after "*expenditures*" and inserting the phrase "*or otherwise settle legal disputes and claims*" after "*and pay judgments*";

and To amend Section 3 by deleting "on" and replacing it with "one."

A motion was made by Chairman Miller, seconded by Mr. Gallagher and approved by unanimous vote to amend Section 4 by deleting "Council" and replacing it with "County Executive and County Council."

On a motion by Chairman Miller with a second by Mr. Gallagher, Ordinance No. O2011-0058 was considered and approved by unanimous vote to be referred to the full Council agenda for second reading as substituted and amended.

6. MISCELLANEOUS BUSINESS

There was no miscellaneous business.

7. OTHER PUBLIC COMMENT

No public comments were given.

8. ADJOURNMENT

With no further business to discuss and on a motion by Mr. Schron with a second by Mr. Greenspan, the meeting was adjourned at 2:12 p.m., without objection.

County Council of Cuyahoga County, Ohio

Resolution No. R2012-0068

Sponsored by: County Executive FitzGerald/Fiscal Officer/County Treasurer	A Resolution authorizing a revenue generating agreement with Woods Cove II LLC, as purchaser, and Axis Capital Management, Inc., as servicer, in the amount not-to-exceed \$7,000,000.00 for the sale of tax lien certificates; authorizing the County Executive to execute the agreement and all other documents consistent with this Resolution; and declaring the necessity that this Resolution become immediately effective.
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WHEREAS, Cuyahoga County has a high percentage of delinquent taxes compared to other counties in Ohio; and,

WHEREAS, the County Executive appointed a taskforce to study the collection of delinquent taxes and how best to handle this problem to ensure that schools and other local governments are not harmed by the high tax delinquency rate; and,

WHEREAS, the taskforce considered and endorsed the sale of tax certificates to address the County's delinquent taxes; and,

WHEREAS, the County Council considered the recommendations of the taskforce and received testimony regarding this process in an open meeting; and,

WHEREAS, the County Council concluded that it is advantageous to the County and its citizens to proceed with the sale of tax certificates to provide funding to schools and other local governments in the County who are in need of this funding; and,

WHEREAS, Ohio Revised Code Section 5721.33 authorizes the County Treasurer to negotiate the sale and transfer of tax certificates; and,

WHEREAS the Cuyahoga County Board of Control, acting pursuant to Section 4.4(b)(16) of the County's Contracting and Purchasing Procedures Ordinance, authorized the County Treasurer to utilize the process authorized by O.R.C. § 5721.33 for the negotiation and sale of tax certificates; and,

WHEREAS, in addition to the requirements of O.R.C § 5721.33, the County also previously advertised the notice of sale of tax certificates and solicited bids on the web sites of the County Treasurer and the National Tax Lien Association's web site; and,

WHEREAS, the County Treasurer previously received the bids and negotiated the sale and transfer of the tax certificates pursuant to O.R.C. § 5721.33; and,

WHEREAS, the County Executive, through the County Treasurer, is submitting a revenue generating agreement on the tax certificates sale to Wood Cove II LLC, as purchaser, and Axis Capital Management, Inc., as servicer, for an amount not-to-exceed \$7,000,000.00 U.S. Dollars; and,

WHEREAS, the County Executive is requesting authorization to enter into the tax certificate sales contract; and,

WHEREAS, it is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue and to provide for the usual, daily operation of County departments, offices, and agencies.

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

SECTION 1. The Cuyahoga County Council hereby approves the revenue generating agreement with Woods Cove II LLC, as purchaser, and Axis Capital Management, Inc., as servicer, in the amount not-to-exceed \$7,000,000.00 for the sale of tax lien certificates.

SECTION 2. The County Executive is authorized to execute the agreement and all documents consistent with this Resolution.

SECTION 3. It is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue, and to continue the usual and daily operation of the County. Provided that this Resolution receives the affirmative vote of eight members of Council, this Resolution shall become immediately effective upon the signature of the County Executive.

SECTION 4. It is found and determined that all formal actions of this Council 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 such formal action were in meetings open to the public, in compliance with all legal requirements, 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: April 10, 2012

Committee(s) Assigned: Finance & Budgeting

Journal _____
_____, 2012

