

# SEPTEMBER 2017

SUN	MON	TUE	WED	THU	FRI	SAT
					<b>1</b>	<b>2</b>
<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>
	<b>Labor Day</b> Offices Closed	<b>7:00 pm</b> City Council				
<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>
	<b>6:30 pm</b> Electric Comm. & BOPA	<b>4:30 pm</b> Board of Zoning			<b>9:00 am</b> Healthcare Cost Committee	
	<b>7:00 pm</b> Water/Sewer Comm.	<b>5:00 pm</b> Planning Comm.				
	<b>7:30 pm</b> Muni. Prop. ED Committee					
<b>17</b>	<b>18</b>	<b>19</b>	<b>20</b>	<b>21</b>	<b>22</b>	<b>23</b>
	<b>6:00 pm</b> Parks & Rec Comm. Tree Commission					
	<b>6:15 pm</b> Ad-hoc Comm. Council Rules					
	<b>7:00 pm</b> City Council					
<b>24</b>	<b>25</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>
	<b>6:30 pm</b> Finance and Budget Committee	<b>4:30 pm</b> Civil Service	<b>6:30 pm</b> Parks & Rec Board			
	<b>7:30 pm</b> Safety and Human Resources					

## CITY COUNCIL

### MEETING AGENDA

**Tuesday, September 05, 2017 at 7:00 pm**

LOCATION: Council Chambers, 255 West Riverview Avenue, Napoleon, Ohio

**A. Attendance** *(Noted by the Clerk)*

**B. Prayer and Pledge of Allegiance**

**C. Swearing In of New Police Chief, David Mack**

**D. Approval of Minutes:** *(in the absence of any objections or corrections, the minutes shall stand approved)*

1. August 21, 2017 City Council Meeting Minutes
2. August 31, 2017 Special Meeting Minutes

**E. Citizen Communication**

**F. Reports from Council Committees**

1. **Finance and Budget Committee** did not meet due to lack of agenda items.
2. **Safety and Human Resources Committee** met on August 28, 2017; and
  - a. Recommended to Implement Fees already in Place and to Direct the Law Director to Draft Legislation to Incorporate Fire and Rescue Department, prior and current, Fee Structure into Codified Ordinances Chapter 511 to be Effective January 1, 2018.
  - b. Recommended to Update Codified Ordinances Chapter 1501.01 to read "the Latest Edition of the Ohio Fire Code.
3. **Technology Committee** did not meet earlier tonight due to lack of agenda items.

**G. Reports from Other Committees, Commissions and Boards** *(Informational Only-Not Read)*

1. **Park and Recreation Board** met on August 30, 2017 with the agenda items:
  - a. Discussion on 2018 Proposed Capital Improvements.
  - b. Review of Current and Upcoming Recreation Programs.

**H. Introduction of New Ordinances and Resolutions**

1. **Resolution No. 051-17**, a 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 for the 2017 Tax Duplicates Payable in Year 2018; and Declaring an Emergency.
2. **Resolution No. 052-17**, a Resolution Authorizing and Directing the Finance Director/Clerk to Certify and File Annual Special Assessments of the City of Napoleon, Ohio, with the County Auditor of Henry County for Placement and Collection on the 2017 Tax Duplicates Payable in the Year 2018; and Declaring an Emergency.
3. **Resolution No. 053-17**, a Resolution Authorizing the Transfer of Certain Properties to wit: Parcel No. 410095550360 and Parcel No. 410095550380, both Owned by the City of Napoleon, Ohio, to the Community Improvements Corporation (CIC) of Henry County, Ohio; and Declaring an Emergency.
4. **Resolution No. 054-17**, a Resolution Authorizing the Expenditure of Funds over Twenty-five Thousand Dollars (\$25,000.00) for the Purpose of the City of Napoleon, Ohio Annual Audits for the Years Ending December 31, 2017 through December 31, 2021, and Authorizing the Finance Director of the City of Napoleon, Ohio to enter into a Contract for said Audits with the Independent Public Accountant (IPA) of BHM CPA Group, Inc. through the Auditor of State of Ohio; and Declaring an Emergency. *(Suspension Requested)*

**I. Second Readings of Ordinances and Resolutions**

1. **Ordinance No. 038-17**, an Ordinance Repealing Section 711 of Part 7 of the City of Napoleon, Ohio Codified Ordinances, Specifically Amusement Devices and Arcades.

**J. Third Readings of Ordinances and Resolutions**

**K. Good of the City** (Any other business as may properly come before Council, including but not limited to):

1. **Discussion/Action:** Recommendation to Implement Fire and Rescue Department Fees Already in Place and to Direct the Law Director to Draft Legislation to Incorporate Fire and Rescue Department, Prior and Current, Fee Structure into Codified Ordinances Chapter 511 to be Effective January 1, 2018.
2. **Discussion/Action:** Recommendation to Update Codified Ordinance Chapter 1501.01 to read "the Latest Edition of the Ohio Fire Code (OFC)".
3. **Discussion/Action:** Approval of Plans and Specifications for the Ohio Street Water Main Replacement Project and Associated Improvements Project.
4. **Discussion/Action:** City Council Representative to the CIC Board for 2018.
5. **Discussion/Action:** Accept Donation in the Amount of \$1,023 from Memorials for Delbert Prigge to the Napoleon Fire and Rescue Department.
6. **Discussion/Action:** Annual Review of City's Investment Policy and Investment Portfolio. (*Refer to Committee*)
7. **Discussion/Action:** Sewer Rate Review with Courtney and Associates. (*Refer to Committee*)

**L. Executive Session** (*as needed*)

**M. Approve Payment of Bills and Approve Financial Reports** (*In the absence of any objections or corrections, the payment of bills and financial reports shall stand approved.*)

**N. Adjournment**

  
\_\_\_\_\_  
Gregory J. Heath  
Finance Director/Clerk of Council

**A. ITEMS REFERRED OR PENDING IN COMMITTEES OF COUNCIL**

1. **Technology & Communication Committee (1<sup>st</sup> Monday)**  
(Next Regular Meeting: Monday, October 02, 2017 @6:15 pm)
2. **Electric Committee (2<sup>nd</sup> Monday)**  
(Next Regular Meeting: Monday, September 11, 2017 @6:30 pm)
  - a. Review of Power Supply Cost Adjustment Factor for September, 2017
  - b. Discussion on Northside Substation Transmission Operator (Tabled)
  - c. Electric Vehicle Rebate (Tabled)
  - d. Electric Department Report
3. **Water, Sewer, Refuse, Recycling & Litter Committee (2<sup>nd</sup> Monday)**  
(Next Regular Meeting: Monday, September 11, 2017 @7:00 pm)
  - a. Update on Wastewater Treatment Plant (Tabled)
  - b. Recycling Contract.
  - c. Sewer Rate Review with Courtney and Associates.
4. **Municipal Properties, Buildings, Land Use & Economic Development Committee (2<sup>nd</sup> Monday)**  
(Next Regular Meeting: Monday, September 11, 2017 @7:30 pm)
  - a. Discussion on Downtown Improvements (tabled)
  - b. Updated Information from Staff on Economic Development (as needed)
5. **Parks & Recreation Committee (3<sup>rd</sup> Monday)**  
(Next Meeting: Monday, September 18, 2017 @6:00 pm)
  - a. Request from County to Designate Vorwerk Park as a Primitive Camp Site Location. (Tabled)
6. **Ad Hoc Committee on Organizational Health and Strategic Vision (3<sup>rd</sup> Monday)**  
(Next Mtg: Monday, October 16, 2017 at 6:15 pm)
  - a. Discussion on Mission and Strategic Vision.
7. **Finance & Budget Committee (4<sup>th</sup> Monday)**  
(Next Regular Meeting: Monday, September 25, 2017 @6:30 pm)
  - a. Annual Review of City's Investment Policy and Investment Portfolio
8. **Safety & Human Resources Committee (4<sup>th</sup> Monday)**  
(Next Meeting: Monday, September 25, 2017 @7:30 pm)
9. **Personnel Committee (as needed)**
10. **Ad-hoc Committee on Council Rules**  
(Next Meeting: Monday, September 18, 2017 @6:15 pm)
  - a. Review of Council Rules

**B. Items Referred or Pending In Other City Committees, Commissions & Boards**

1. **Board of Public Affairs (2<sup>nd</sup> Monday)**  
(Next Regular Meeting: Monday, September 11, 2017 @6:30 pm)
  - a. Review of Power Supply Cost Adjustment Factor for September, 2017
  - b. Discussion on Northside Substation Transmission Operator (Tabled)
  - c. Electric Vehicle Rebate (Tabled)
  - d. Electric Department Report
2. **Board of Zoning Appeals (2<sup>nd</sup> Tuesday)**  
(Next Regular Meeting: Tuesday, September 12, 2017 @4:30 pm)
3. **Planning Commission (2<sup>nd</sup> Tuesday)**  
(Next Regular Meeting: Tuesday, September 12, 2017 @5:00 pm)
  - a. Medical Marijuana Moratorium
4. **Tree Commission (3<sup>rd</sup> Monday)**  
(Next Regular Meeting: Monday, September 18, 2017 @6:00 pm)
5. **Civil Service Commission (4<sup>th</sup> Tuesday)**  
(Next Regular Meeting: Tuesday, September 26, 2017 @4:30 pm)
6. **Parks & Recreation Board (Last Wednesday)**  
(Next Regular Meeting: Wed., September 27, 2017 @6:30 pm)
7. **Privacy Committee (2nd Tuesday in May & November)**  
(Next Regular Meeting: Tuesday, November 14, 2017 @10:30 am)
8. **Records Commission (2<sup>nd</sup> Tuesday in June & December)**  
(Next Regular Meeting: Tuesday, December 12, 2017 @4:00 pm)
9. **Housing Council (1<sup>st</sup> Monday of the month after the TIRC meeting)**
10. **Health Care Cost Committee (as needed)**
11. **Preservation Commission (as needed)**
12. **Napoleon Infrastructure/Economic Development Fund Review Committee (NIEDF) (as needed)**
13. **Tax Incentive Review Council (as needed)**
14. **Volunteer Firefighters' Dependents Fund Board (as needed)**
15. **Volunteer Peace Officers' Dependents Fund Board (as needed)**
16. **Lodge Tax Advisory & Control Board (as needed)**
17. **Board of Building Appeals (as needed)**
18. **ADA Compliance Board (as needed)**
19. **NCTV Advisory Board (as needed)**



You are cordially invited to attend the

Swearing in Ceremony for

**Chief David J. Mack**

the new City of Napoleon Police Chief

Tuesday, September 5, 2017

at

7:00 p.m.

during the regular City of Napoleon Council meeting  
City Municipal Building, 255 W. Riverview Ave., Napoleon Ohio

**(Please enter the building on the North side entrance facing Riverview Ave.)**

# CITY COUNCIL

## MEETING MINUTES

MONDAY, AUGUST 21, 2017 AT 7:00 PM

### PRESENT

Council

Travis Sheaffer-Council President, Jeff Comadoll, Rita Small, Dan Baer, Jeff Mires, Lori Siclair

Mayor

Jason P. Maassel

Finance Director/Clerk

Gregory J. Heath

Law Director

Billy D. Harmon

Acting City Manager

Chad E. Lulfs, P.E., P.S.

Recorder

Roxanne Dietrich

City Staff

Clayton O'Brien, Fire Chief

Lt. Dave Mack, Acting Chief of Police

Newsmedia, NCTV

Others

### ABSENT

City Manager

Joel Mazur

Councilmember

Joe Bialorucki

### Prayer

Council President Sheaffer called the meeting to order at 7:00 pm with the Lord's Prayer followed by the Pledge of Allegiance.

### Minutes

Minutes from the August 7, 2017 meeting stand approved as read with no objections or corrections.

### Citizen

#### Communication

None.

### Council Committee Reports

The **Electric Committee** met on August 14, 2017, and approved the BOPA recommendation to approve the August 2017 PSCAF, the committee tabled discussion on Transmission Operator for Northside Substation and Electric Vehicle Rebate was also tabled.

The **Water, Sewer, Refuse, Recycling and Litter Committee** did not meet due to lack of agenda items.

The **Municipal Properties, Building, Land Use and Economic Development Committee** did not meet due to lack of agenda items.

The **Parks and Recreation Committee** did not meet due to lack of agenda items.

Since the City Manager is on vacation, we canceled the **Ad-hoc Committee on Organizational Health and Strategic Vision** for tonight.

### Introduction of Ordinance No. 038-17 Repeal Section 711 Part 7 of ORC Amusement Devices and Arcades

Council President Sheaffer read by title Ordinance No. 038-17, an Ordinance Repealing Section 711 of Part 7 of the City of Napoleon, Ohio Codified Ordinances, Specifically Amusement Devices and Arcades.

### Motion to Approve First Read of 038-17

Motion: Baer Second: Comadoll  
to approve First Read of Ordinance No. 038-17.









**Sheaffer**

Congratulations to Spenglers on 125 years. That is a testament to our community and owners who have owned the establishment over the years and the people who frequent. It really is a symbolic place for residents to go there sit down and have conversation with people.

**Maassel**

It is kind of amazing Spenglers has been around for that long and still a viable business. It is a neat place for Henry County, it's something to come home to. Congratulations to the whole group what a great day it was, good weather, all kinds of volunteers and all kinds of silent auction things donated an awesome life changing event for the groups associated.

Chad, will the Perry Street project been done a block at a time?  
Lulfs commented the waterline will be done on Perry then Washington. The contractor will try to maintain northbound traffic as much as they can. Southbound traffic will be rerouted down Scott Street. The waterline work is scheduled to start the Tuesday after Labor Day. The completion date is Thanksgiving, we are hoping to be done before then. When you dig into an old part of town you can find something you didn't know about.

Maassel continued, usually September is turn the town teal, due to construction in the downtown, that will be turned them down this year. School starts Wednesday allow extra time to get around.

**Comadoll**

Nothing

**Baer**

Nothing

**Siclair**

Nothing

**Harmon**

I would request an Executive Session for Pending Litigation.

**Lulfs**

Nothing.

**Sheaffer**

The third Monday of September we will have an Ad-hoc on Council Rules Committee meeting and will not do an Ad-hoc on Organizational Health and Strategic Vision Committee meeting.

There may be a lady in to talk about Megan's Law /victim's rights one of the meetings in September.

**Motion To Go Into Executive Session on Pending Litigation**

Motion: Small Second: Siclair  
to go into Executive Session on Pending Litigation.

**Passed  
Yea-6  
Nay-0**

Roll call vote on the above motion:  
Yea-Sheaffer, Comadoll, Baer, Siclair, Mires, Small  
Nay-

**Into Executive Session**

Council went into Executive Session at 7:47 pm.

**Motion to Come Out of Executive Session for Pending Litigation**

Motion: Small Second: Comadoll  
to come out of Executive Session on Pending Litigation.



# CITY COUNCIL

in Joint Session with the  
**HENRY COUNTY COMMISSIONERS**

Special Meeting Minutes  
**Thursday, August 31, 2017 at 8:30 am**

**PRESENT**

Council

Travis Sheaffer-Council President, Joe Bialorucki- Council President Pro-Tem; Rita Small, Dan Baer, Jeff Mires, Lori Siclair

Mayor

Jason P. Maassel

Commissioners

Ton VonDeylen, Glenn Miller, Robert Hastedt

Finance Director/Clerk

Gregory J. Heath

City Manager

Joel L. Mazur

Law Director

Billy D. Harmon

Acting Recorder

Gregory J. Heath

City Staff

Jeff Rathge

**ABSENT**

Councilmember

Jeff Comadoll

**Call to Order**

Council President Sheaffer called the meeting to order at 8:30 am.

**Yard Waste Site**

Commissioner VonDeylen did a short review on the history on the Yard Waste Site. The City was taking their garbage to the Defiance County Landfill, the Commissioners asked City Council to reconsider in exchange for being allowed to accept concrete and the County would pay \$5,000/year towards the Yard Waste Site, the County, through the Solid Waste District, helped purchase the red recycling bins and the payment was reduced to \$4,100/year. The County no longer has a landfill for you to bring your garbage to, do we still pay the \$4,100/year. City Manager Mazur responded any Henry County resident is allowed to bring yard waste to the site. The City still has to maintain the site and comply with EPA regulations and have a NDPEs permit. It is a costly operation and feel the \$4,100 is necessary, we do not feel there is room for recyclables at the Yard Waste Site and would suggest looking for an alternative location. Commissioner Miller brought up should we continue to do recycling? Mazur said we met with Werlors and unless contamination is controlled, costs will be going up, recycling is a huge cost. Currently the recycling cost is \$37.00/ton, the landfill cost is \$9.00/yard plus a \$11.00 fee is charged per ton that comes to about \$20/ton. Commissioner VonDeylen mentioned some communities have went to a Saturday morning drop off for recyclables. Mazur said there are grant funds out there we can apply for.

**Refer Recycling Contract to Water, Sewer, Refuse, Recycling & Litter Comm.**

President Sheaffer referred discussion on recycling contract to the Water, Sewer, Refuse, Recycling and Litter Committee.





**RESOLUTION NO. 051-17**

**A 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 FOR THE 2017 TAX DUPLICATES PAYABLE IN YEAR 2018 AND DECLARING AN EMERGENCY**

**WHEREAS**, this Council in accordance with the provisions of law has previously adopted a Tax Budget (Resolution No. 035-17) for the next succeeding fiscal year commencing January 1, 2018; and,

**WHEREAS**, the Budget Commission of Henry County, Ohio, has certified its action thereon to this Council together with an estimate of 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; Now Therefore,

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NAPOLEON, OHIO:**

Section 1. That, the amounts and rates, as determined by the Budget Commission in its certification, be and the same are hereby accepted; further, the necessary tax levies are authorized, to be certified to the County Auditor for the 2017 Tax Duplicates, payable in the year 2018.

Section 2. That, there be and is hereby levied on the tax duplicate of the City the rate of each tax necessary to be levied within and without the ten mill limitation as follows:

<b>SCHEDULE A</b>				
<b>SUMMARY OF AMOUNTS REQUIRED FROM GENERAL PROPERTY TAX APPROVED BY BUDGET COMMISSION, AND COUNTY AUDITOR'S ESTIMATED TAX RATES</b>				
City Tax Valuation <b>\$140,509,655</b>		Amount Approved by Budget Commission Inside 10 Mill Limitation	County Auditor's Estimate of Tax Rate to be Levied	
<b>FUND</b>			Inside 10 Mill Limit	Outside 10 Mill Limit
General Fund		\$281,019	2.00	
Police Pension Fund		\$84,306	0.60	
Fire Pension Fund		\$42,153	0.30	
<b>TOTAL</b>		<b>\$407,478</b>	<b>2.90</b>	

Section 3. That, it is found and determined that all formal actions of this City Council concerning and relating to the adoption of this Resolution were adopted in open meetings of this City Council, and that all deliberations of this City Council and any of its committees that resulted in such formal actions were in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code and the Codified Ordinances of Napoleon Ohio.

Section 4. That, if any other prior Ordinance or Resolution is found to be in conflict with this Resolution, then the provisions of this Resolution shall prevail. Further, if any portion of this Resolution is found to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this Resolution or any part thereof.

Section 5. That, this Resolution is declared to be an emergency measure necessary for the immediate preservation of the public peace, health or safety of the City and its inhabitants, and for the further reason that this legislation must be in effect at the earliest possible time to allow timely adoption of tax levies for placement on tax rolls; therefore, provided it receives the required number of votes for passage as emergency legislation, it shall be in full force and effect immediately upon its passage; otherwise, it shall be in full force and effect at the earliest time permitted by law.

Passed: \_\_\_\_\_

\_\_\_\_\_  
Travis B. Sheaffer, Council President

Approved: \_\_\_\_\_

\_\_\_\_\_  
Jason P. Maassel, Mayor

VOTE ON PASSAGE \_\_\_\_ Yea \_\_\_\_ Nay \_\_\_\_ Abstain

Attest:

\_\_\_\_\_

Gregory J. Heath, Clerk/Finance Director

*I, Gregory J. Heath, Clerk/Finance Director of the City of Napoleon, do hereby certify that the foregoing Resolution No. 051-17 was duly published in the Northwest Signal, a newspaper of general circulation in said City, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_; & I further certify the compliance with rules established in Chapter 103 of the Codified Ordinances Of Napoleon Ohio and the laws of the State of Ohio pertaining to Public Meetings.*

\_\_\_\_\_  
*Gregory J. Heath, Clerk/Finance Director*

**RESOLUTION NO. 052-17**

**A RESOLUTION AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR/CLERK TO CERTIFY AND FILE ANNUAL SPECIAL ASSESSMENTS OF THE CITY OF NAPOLEON, OHIO, WITH THE COUNTY AUDITOR OF HENRY COUNTY FOR PLACEMENT AND COLLECTION ON THE 2017 TAX DUPLICATES PAYABLE IN THE YEAR 2018; AND DECLARING AN EMERGENCY**

**WHEREAS**, this Council in accordance with the provisions of law and by Ordinance has previously established special assessments for various projects in the City; and,

**WHEREAS**, these special assessments must be annually certified to the County Auditor by the Clerk of the Municipality; Now Therefore,

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NAPOLEON, OHIO:**

Section 1. That, the City Council of the City of Napoleon, Ohio, directs the Finance Director/Clerk to certify and file annual special assessments of the City with the County Auditor, as required by Section 727.30 of the Ohio Revised Code, in the form presented to Council and on file in the office of the Finance Director, attached and marked as (Exhibit "A"), for placement and collection on the 2017 tax duplicates, payable in the year 2018.

Section 2. That, it is found and determined that all formal actions of this City Council concerning and relating to the adoption of this Resolution were adopted in open meetings of this City Council, and that all deliberations of this City Council and any of its committees that resulted in such formal actions were in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code and the Codified Ordinances of Napoleon Ohio.

Section 3. That, if any other prior Ordinance or Resolution is found to be in conflict with this Resolution, then the provisions of this Resolution shall prevail. Further, if any portion of this Resolution is found to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this Resolution or any part thereof.

Section 4. That, this Resolution is declared to be an emergency measure necessary for the immediate preservation of the public peace, health or safety of the City and its inhabitants, and for the further reason that this legislation must be in effect at the earliest possible time to allow timely placement of special assessments on the tax rolls; therefore, provided it receives the required number of votes for passage as emergency legislation, it shall be in full force and effect immediately upon its passage; otherwise, it shall be in full force and effect at the earliest time permitted by law.

Passed: \_\_\_\_\_

\_\_\_\_\_  
Travis B. Sheaffer, Council President

Approved: \_\_\_\_\_

\_\_\_\_\_  
Jason P. Maassel, Mayor

VOTE ON PASSAGE \_\_\_\_\_ Yea \_\_\_\_\_ Nay \_\_\_\_\_ Abstain

Attest:

---

Gregory J. Heath, Clerk/Finance Director

*I, Gregory J. Heath, Clerk/Finance Director of the City of Napoleon, do hereby certify that the foregoing Resolution No. 052-17 was duly published in the Northwest Signal, a newspaper of general circulation in said City, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_; & I further certify the compliance with rules established in Chapter 103 of the Codified Ordinances Of Napoleon Ohio and the laws of the State of Ohio pertaining to Public Meetings.*

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*Gregory J. Heath, Clerk/Finance Director*



## CITY OF NAPOLEON, OHIO

255 West Riverview Avenue, PO Box 151 • Napoleon, Ohio 43545-0151  
Gregory J. Heath, Director of Finance/Clerk of Council

Phone (419) 599-1235 Fax (419)-599-8393

E-mail: [gheath@napoleonohio.com](mailto:gheath@napoleonohio.com)

Web Page: [www.napoleonohio.com](http://www.napoleonohio.com)

September 01, 2017

Mr. Kevin Garringer  
Henry County Auditor  
Napoleon, Oh 43545

Dear Mr. Garringer:

I hereby certify that the Special Assessments have been levied upon the following lots and lands:

<u>CODE</u>	<u>PROJECT</u>	<u>YEARS</u>	<u>AMOUNT</u>
204	Fair/Tyler/Sycamore Streets	0	5,413.98
205	Hobson/Reynolds Streets	0	15,661.54
206	W. Main/Welsted/Vine Streets	2	2,423.14
207	Palmer Ditch Sewer	2	6,716.42
208	NP Water Main & Dist System	7	2,772.46
209	NP Pump Station & Force Main	7	4,344.27
210	NP Collector Sewer	7	3,044.39
211	NP East Interceptor Sewer	7	3,172.64
212	NP West Interceptor Sewer	7	3,652.98
296	So. Side Sewer-Storm & Sanitary - Defermer	14	2,218.53
			<hr/>
			<b>49,420.35</b>

These are to be applied upon the tax listings for the year 2017 and collected as other taxes are collected

Sincerely,

Gregory J. Heath  
Finance Director

**RESOLUTION NO. 053-17**

**A RESOLUTION AUTHORIZING THE TRANSFER OF CERTAIN PROPERTIES TO WIT: PARCEL NO. 410095550360 AND PARCEL NO. 410095550380, BOTH OWNED BY THE CITY OF NAPOLEON, OHIO, TO THE COMMUNITY IMPROVEMENT CORPORATION (CIC) OF HENRY COUNTY, OHIO; AND DECLARING AN EMERGENCY**

**WHEREAS**, the City, by Ordinance 34-86, passed July 21, 1986, designated the Community Improvement Corporation of Henry County, Ohio (hereinafter called “the CIC”) as the agency and instrumentality of the City for the industrial, commercial, distribution and research development of the City pursuant to Chapter 1724.10 of the Ohio Revised Code; and

**WHEREAS**, the City and the CIC have since entered into an amended Agreement and Plan of Industrial, Commercial, Distribution and Research Development (Amendment No. 2 dated March 21, 2011; Ordinance No. 017-11); and

**WHEREAS**, pursuant to Article VIII Section 13 of the Ohio Constitution, which provides for economic development, and the Ohio Revised Code, the Agreement and Plan provides in pertinent part, that in furtherance of the Plan, the CIC [may/will] sell or lease any lands or interests in lands owned by the City determined from time to time by the Council of the City not to be required by the City for its purposes, for uses determined by the Council of the City as those that will promote the welfare of the people of the City, stabilize the economy, preserve, maintain or provide employment, and assist in the development of industrial, commercial, distribution and research activities to the benefit of the people of the City; moreover, that such sale or lease may be made without advertising and receipt of bids when in the best interest of the City, the City specifying the consideration of such sale or lease; and

**WHEREAS**, the Agreement and Plan also provides in pertinent part, that the City may convey to the CIC lands and interest in lands owned by the City and determined by the Council of the City not to be required by the City for its purposes, and that such conveyance of such land or interests in land will promote the welfare of the people of the City, stabilize the economy, provide employment and assist in the development of industrial, commercial, distribution and research activities to the benefit of the people of the City and preserve, maintain or provide additional opportunities for their gainful employment; moreover, that such sale or lease shall be made without advertising and receipt of bids when in the best interest of the City, the City determining the consideration of such sale or lease; further, if any lands or interests in lands conveyed by the City to the CIC are sold by the CIC at a price in excess of the consideration received by the City from the CIC therefore, such excess shall be paid to the City after deducting therefrom the following costs to the extent incurred by the CIC; the costs of acquisition and sale by the CIC, taxes, assessments, costs of maintenance, costs of improvements to the land by the CIC, debt service charges of the CIC attributable to such lands or interests, and a reasonable service fee determined by the CIC; and

**WHEREAS**, it has been presented and requested by the Executive Director of the CIC that the City transfer two specific parcels of land owned by the City to the CIC in

order to further the Plan for Economic Development, consistent with Ohio Revised Code Section 1724.10; and

**WHEREAS**, the subject property, Parcel No. 410095550360 for which the CIC requests transfer (“Subject Property”) is approximately twenty nine one hundredths (0.29) acres of land, more or less, located to the northwest of Riverview Avenue as found in the Henry County Auditor’s Office; and

**WHEREAS**, the subject property Parcel No. 410095550380 for which the CIC requests transfer (“Subject Property”) is at this time an undetermined number of acres of land, less than twenty five one hundredths (0.25), located northwest of Riverview Avenue as found in the Henry County Auditor’s Office; and

**WHEREAS**, the CIC agrees to hold title to and transfer the Subject Properties at the appropriate time to any eventual transferee (and potentially eventually back to the City) as determined and agreed upon by simple majority vote of its Board of Trustees consistent with all laws and regulations and the aforementioned Agreement and Plan and the supplemental purchase agreement; and

**WHEREAS**, the City Manager, being the official in charge of the property, has advised this Council that the Subject Property is no longer needed for a public purpose;  
**NOW THEREFORE,**

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NAPOLEON, OHIO:**

Section 1. That, Parcel No. 410095550360 and Parcel No. 410095550380, located in the City of Napoleon, Henry County, Ohio, are hereby determined by this Council not to be required by the City for its purposes, and that such conveyance of such land or interests in land will promote the welfare of the people of the City, stabilize the economy, provide employment and assist in the development of industrial, commercial, distribution and research activities to the benefit of the people of the City and preserve, maintain or provide additional opportunities for their gainful employment.

Section 2. That, being consistent with the City’s Charter, Ordinances, Resolutions and the Agreement and Plan, as well as being consistent with the Ohio Revised Code, the parcel or parcels identified in Section 1 of this Resolution shall be transferred to the CIC of Henry County, Ohio without necessity of advertisement or receipt of bids, the same being determined by this Council as being in the best interest of the City; moreover, the City Manager is authorized to execute all agreements, deeds, and other documents required to complete said transfer(s).

Section 3. That, Council determines that the consideration for the conveyance of the Parcel identified in Section 1 of this Resolution shall be as found in a certain real estate purchase agreement and escrow agreement between the CIC and a third party substantially in the form as currently on file in the office of the City Finance Director.

Section 4. That, if any parcel or parcels of land as identified in Section 1 of this Resolution so conveyed by the City to the CIC is or are sold by the CIC at a price in excess of the consideration received by the City from the CIC therefore, then such excess shall be paid to the City after deducting therefrom the following costs to the extent incurred by the CIC; the costs of acquisition and sale by the CIC, taxes, assessments, costs of maintenance, costs of improvements to the land by the CIC, debt service charges

of the CIC attributable to such lands or interests, and a reasonable service fee determined by the CIC.

Section 5. That, nothing in Section 4 of this Resolution shall be construed as relieving the CIC of its obligations under the land purchase agreement.

Section 6. That, it is found and determined that all formal actions of this City Council concerning and relating to the adoption of this Resolution were adopted in open meetings of this City Council, and that all deliberations of this City Council and any of its committees that resulted in such formal actions were in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code and the Codified Ordinances of Napoleon Ohio.

Section 7. That, if any other prior Ordinance or Resolution is found to be in conflict with this Resolution, then the provisions of this Resolution shall prevail. Further, if any portion of this Resolution is found to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this Resolution or any part thereof.

Section 8. That, this Resolution is declared to be an emergency measure necessary for the immediate preservation of the public peace, health or safety of the City and its inhabitants, and for the further reason that this legislation must be in effect at the earliest possible time for the furtherance of economic development within the City of Napoleon, all of which affects the public peace, health or safety accessible to our citizens; therefore, provided it receives the required number of votes for passage as emergency legislation, it shall be in full force and effect immediately upon its passage; otherwise, it shall be in full force and effect at the earliest time permitted by law.

Passed: \_\_\_\_\_

\_\_\_\_\_  
Travis B. Sheaffer, Council President

Approved: \_\_\_\_\_

\_\_\_\_\_  
Jason P. Maassel, Mayor

VOTE ON PASSAGE \_\_\_\_ Yea \_\_\_\_ Nay \_\_\_\_ Abstain

Attest:

---

Gregory J. Heath, Clerk/Finance Director

*I, Gregory J. Heath, Clerk/Finance Director of the City of Napoleon, do hereby certify that the foregoing Resolution No. 0 -17 was duly published in the Northwest Signal, a newspaper of general circulation in said City, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_; & I further certify the compliance with rules established in Chapter 103 of the Codified Ordinances Of Napoleon Ohio and the laws of the State of Ohio pertaining to Public Meetings.*

---

*Gregory J. Heath, Clerk/Finance Director*

**RESOLUTION NO. 054-17**

**A RESOLUTION AUTHORIZING THE EXPENDITURE OF FUNDS OVER TWENTY FIVE THOUSAND DOLLARS (\$25,000.00) FOR THE PURPOSE OF THE CITY OF NAPOLEON, OHIO ANNUAL AUDITS FOR THE YEARS ENDING DECEMBER 31, 2017 THROUGH DECEMBER 31, 2021, AND AUTHORIZING THE FINANCE DIRECTOR OF THE CITY OF NAPOLEON, OHIO TO ENTER INTO A CONTRACT FOR SAID AUDITS WITH THE INDEPENDENT PUBLIC ACCOUNTANT (IPA) OF BHM CPA GROUP, INC. THROUGH THE AUDITOR OF STATE OF OHIO; AND DECLARING AN EMERGENCY**

**WHEREAS**, the City of Napoleon, Ohio's financial statements are audited on an annual basis by the Auditor of State of Ohio, or by its contracted designee; and,

**WHEREAS**, the Auditor of State of Ohio has taken Requests for Proposals for an engagement for Audits related to the City of Napoleon, Ohio, Henry County per Sections 117.11 and 115.56 of the Ohio Revised Code for fiscal periods January 1, 2017 through December 31, 2021; and,

**WHEREAS**, based on the Requests for Proposals received, the Auditor of State of Ohio has recommended award of the engagement contract to BHM CPA Group, Inc.; and,

**WHEREAS**, based on the recommendation from the Auditor of State of Ohio, the City of Napoleon, Ohio desires to enter into a contract with BHM CPA Group, Inc. to conduct said audits; and

**WHEREAS**, this matter is being brought before Council due to the proposed cost of one hundred ten thousand dollars (\$110,000.00) total for the above stated Audit periods, being over the twenty five thousand dollars (\$25,000.00) expenditure threshold; **Now Therefore**,

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NAPOLEON, OHIO:**

Section 1. That, the City of Napoleon authorizes the expenditure of funds in excess of twenty five thousand dollars (\$25,000.00) for the annual audits of the financial statements of the City of Napoleon, Ohio for fiscal periods January 1, 2017 through December 31, 2021.

Section 2. That, Council finds it to be in the best interest of the City to accept the recommendation from the Auditor of State of Ohio based on the Request for Proposals received by them per Sections 117.11 and 115.56 of the Ohio Revised Code.

Section 3. That, the Finance Director is authorized to enter into a contract with the BHM CPA Group, Inc. to conduct said audits for the fiscal periods January 1, 2017 through December 31, 2021, at a cost not to exceed one hundred ten thousand dollars (\$110,000.00).

Section 4. That, it is found and determined that all formal actions of this City Council concerning and relating to the adoption of this Resolution were adopted in open meetings of this City Council, and that all deliberations of this City Council and any of its committees that resulted in such formal actions were in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code and the Codified Ordinances of Napoleon Ohio.

Section 5. That, if any other prior Ordinance or Resolution is found to be in conflict with this Resolution, then the provisions of this Resolution shall prevail. Further, if any portion of this Resolution is found to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this Resolution or any part thereof.

Section 6. That, this Resolution is declared to be an emergency measure necessary for the immediate preservation of the public peace, health or safety of the City and its inhabitants, and for the further reason that this legislation must be in effect at the earliest possible time so that the audits can be done in a timely manner, which affect the public peace, health or safety accessible to our citizens; therefore, provided it receives the required number of votes for passage as emergency legislation, it shall be in full force and effect immediately upon its passage; otherwise, it shall be in full force and effect at the earliest time permitted by law. Further, the Emergency Clause is necessary to begin the audit process in a timely manner, and for further reasons as stated in the Preamble hereof.

Passed: \_\_\_\_\_

\_\_\_\_\_  
Travis B. Sheaffer, Council President

Approved: \_\_\_\_\_

\_\_\_\_\_  
Jason P. Maassel, Mayor

VOTE ON PASSAGE \_\_\_\_\_ Yea \_\_\_\_\_ Nay \_\_\_\_\_ Abstain

Attest:

\_\_\_\_\_  
Gregory J. Heath, Clerk/Finance Director

*I, Gregory J. Heath, Clerk/Finance Director of the City of Napoleon, do hereby certify that the foregoing Resolution No. 054-17 was duly published in the Northwest Signal, a newspaper of general circulation in said City, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_; & I further certify the compliance with rules established in Chapter 103 of the Codified Ordinances Of Napoleon Ohio and the laws of the State of Ohio pertaining to Public Meetings.*

\_\_\_\_\_  
*Gregory J. Heath, Clerk/Finance Director*



# Dave Yost • Auditor of State

## MEMORANDUM OF AGREEMENT

This agreement is entered into as of the 23rd day of August, 2017, by and between BHM CPA Group, Inc. an independent public accountant (IPA), **DAVE YOST**, Auditor of State of Ohio (Auditor) and the City of Napoleon, Henry County (Public Office) WITNESSETH:

Whereas, the Auditor of State on July 12, 2017, issued a Request for Proposals for an engagement related to the City of Napoleon, Henry County, including any components and other requirements stated in the Request for Proposal, pursuant to Sections 117.11 and 115.56, Revised Code, for fiscal periods January 1, 2017 through December 31, 2021.

Whereas, IPA responded to the Request for Proposals with a formal proposal wherein they indicated their willingness to perform the engagement related to the Public Office in accordance with the items and conditions set forth in the Request for Proposals; and

Whereas, the Auditor of State, in consultation with the Public Office, has determined the IPA has submitted the proposal most advantageous to the Auditor and Public Office;

NOW, THEREFORE, IPA and Public Office do mutually agree as follows:

1. This Memorandum of Agreement, the Request for Proposals, the Proposal of the IPA and any written documents supplementing, amending, or incorporating the Request for Proposal, the Proposal of the IPA, and the Memorandum of Agreement constitute the integrated written agreement of the parties, to be known as the "Contract";
2. The IPA shall, in consideration of the payments specified in the Proposal, and subject to the requirements of the Contract, perform the specified engagement related to the Public Office;
3. Public Office will provide the IPA with such payments, services, and support as are specified in the Request for Proposals; and
4. The Auditor will provide the IPA with such services and support as are specified in the Request for Proposals; and
5. If applicable, pursuant to the agreement of the parties a subcontractor with respect to the Contract will be as stated below. Further, pursuant to the RFP Terms of Engagement and this Contract, the IPA shall be and remain solely responsible to the Public Office and Auditor for the acts the IPA performs or faults of any subcontractor and of any subcontractor's officers, agents or employees, who are deemed to be agents or employees of the IPA to the extent of the subcontract. Each subcontractor shall jointly and severally agree that neither the Public Office nor the Auditor is obligated to pay or to be liable for the payment of any sums due the subcontractor.

Not Applicable

Subcontractor Name

Address

**Number of Hours**

**Rate Per Hour**

**Total Subcontract**

IN WITNESS WHEREOF, Auditor, Public Office and IPA have executed this agreement.

Legislative Authority or Designee for  
the City of Napoleon

Date

**Michael A. Balestra**

Digitally signed by Michael A. Balestra  
DN: cn=Michael A. Balestra, o=A Division of BHM CPA  
Group, ou=Balestra, Harr & Scherer, CPAs, Inc.,  
email=mike.balestra@bhmcgroup.com, c=US  
Date: 2017.08.24 09:45:47 -0400

August 24, 2017

BHM CPA Group, Inc.

Date

APPROVAL:

Compliance, Auditor of State  
Office of **DAVE YOST, Auditor of State of Ohio**  
In Accordance with Sections 117.11 & 115.56 Revised Code  
(Not valid unless approved by Legal Division)

Date



# Dave Yost • Auditor of State

## Certification of Compliance with Procurement Requirements

This is to certify that, to the best of my knowledge and belief as the appropriate official of the \_\_\_\_\_  
City of Napoleon, Henry County \_\_\_\_\_, we have complied with all applicable federal,  
state and local procurement requirements in the selection of the firm \_\_\_\_\_  
BHM CPA Group, Inc. \_\_\_\_\_ to  
perform the audit of the \_\_\_\_\_  
City of Napoleon, Henry County \_\_\_\_\_, which is the subject of  
the accompanying contract.

\_\_\_\_\_  
City of Napoleon, Henry County  
Please type/print Name and Title here

\_\_\_\_\_  
Date



# Dave Yost • Auditor of State

August 23, 2017

BHM CPA Group, Inc.  
Attn: Mike Balestra  
PO Box 687  
Piketon, Ohio 45661

Dear Mike:

On behalf of Auditor of State Dave Yost, I am pleased to inform you that the contract to audit the City of Napoleon, Henry County for the fiscal periods January 1, 2017 through December 31, 2021 in accordance with the items and conditions set forth in the Request for Proposals dated July 12, 2017 has been awarded to BHM CPA Group, Inc.

Attached you will find a PDF document of the Memorandum of Agreement (MOA) form. This document is to be executed by an authorized representative of your firm and **forwarded to the public office**. Electronic signatures are acceptable. If the proposed first year of this audit exceeds 800 hours, also enter the MBE information on the MOA (note: "to be determined" is not acceptable).

The public office will then sign the MOA and a Certification of Compliance (also attached) and **return all signed documents to this office on or before September 1, 2017**. When fully approved by the Auditor of State, a fully executed document will be sent to you and to the public office. No audit work may be performed or payments lawfully made regarding this contract until such approval is obtained.

Should you have any questions, please contact me at (800) 443-9276. We look forward to working with you and, in advance of your cooperation, please accept my appreciation.

Sincerely,

**DAVE YOST**  
Auditor of State

A handwritten signature in black ink that reads "Stephen D. Flickinger".

Stephen D. Flickinger, CPA, CFE  
Chief Auditor, Northwest Region

Encls.

cc: City of Napoleon, Henry County

City of Napoleon, Henry County  
 1/1/17-12/31/21  
 06D27HENR  
 Cost Points Calculation

RANK	FIRM	COST	% of POINTS	# of POINTS
				10.00
2	BHM Group	\$ 110,000	1.0000	10.00
5	Perry	\$ 137,400	0.8006	8.01
3	Clark Shaeffer	\$ 152,460	0.7215	7.22
1	Zupka	\$ 154,900	0.7101	7.10
4	Rehmann	\$ 173,375	0.6345	6.34
6			#DIV/0!	#DIV/0!
7			#DIV/0!	#DIV/0!
8			#DIV/0!	#DIV/0!
9			#DIV/0!	#DIV/0!
10			#DIV/0!	#DIV/0!

Note: Enter the firm name and total cost amount from each proposal, then use the data sorting function to sort columns B and C from smallest to largest based on the cost (column C). Include the # of points from column E for the related firm on the RFP score sheet.

City of Napoleon, Henry County  
 1/1/17-12/31/21  
 06D27HENR  
 RFP Mandatory Elements

CATEGORY	Yes (Y) or No (N) *				
	Zupka	BHM	Clark-Shaeffer	Rehmann	Perry
<b>A properly labeled proposal was received by the stated deadline</b>					
<b>Did the firm provide an affirmative statement that:</b>					
- The firm is licensed to do business in Ohio	Y	Y	Y	Y	Y
- The firm and all key staff have met Yellow Book CPE requirements	Y	Y	Y	Y	Y
- The firm received an Unqualified PEER review in the last 3 years (or is scheduled if new)	Y	Y	Y	Y	Y
- The firm and all key staff complied with Ohio Ethics Laws	Y	Y	Y	Y	Y
- The firm and all key staff have no conflicts of interest with the client	Y	Y	Y	Y	Y
- The firm has no unresolved findings for recovery	Y	Y	Y	Y	Y
- The firm and all key staff have complied with GAO independence rules for:					
< the public office	Y	Y	Y	Y	Y
< all material component units, if applicable	N/A	N/A	N/A	N/A	N/A
< the oversight entity, if applicable	N/A	N/A	N/A	N/A	N/A
< any personal or external impairments	Y	Y	Y	Y	Y
- The firm has not had/will not have inappropriate contact with Public Office personnel	Y	Y	Y	Y	Y
- The firm will ensure any subcontractors meet all applicable affirmations	N/A	N/A	N/A	Y	N/A
- The proposal is a firm and irrevocable offer for 90 days	Y	Y	Y	Y	Y
<b>The proposal includes the following Other Required Elements, as stated in the RFP:</b>					
- Proper Public Office and contract period	Y	Y	Y	Y	Y
- Properly defined audit scope	Y	Y	Y	Y	Y
- A listing of all required reports to be issued	Y	Y	Y	Y	Y
- An appropriate engagement timetable to meet deadlines	Y	Y	Y	Y	Y
- Appropriate communication with client management	Y	Y	Y	Y	Y
- The name, address, phone, and e-mail for assigned partner/responsible party of firm	Y	Y	Y	Y	Y
<b>Firm qualifies to move on in RFP grading process?</b>	Y	Y	Y	Y	Y

**GENERAL**

The winning proposal will have the expertise and capacity to provide a quality audit in accordance with all RFP requirements. Firms should identify readily available staff who are highly qualified in relation to the specific requirements of this RFP. **For sections 5 and 6, only one firm can receive the highest available score for each component of this highly subjective category. QA scores should be as of the RFP due date.**

**CLIENT PARTICIPATION**

The Public Office may determine their approach to reviewing each proposal (May only consider cost, use AOS criteria or develop their own, may choose not to perform a review). The Public Office will receive the AOS technical and cost evaluation when it is completed at which point the Public Office has the option to award the maximum 5 available IPA Preference Points to one firm's score. The Public Office may also opt to award 4, 3, 2, 1 or zero points to the remaining firms' scores without limitation (OK to give two 4's, three 3's, all

**FINAL SELECTION**

AOS will review combined AOS/Public Office scores and make a binding final selection.

CATEGORY	POINTS*					
	MAX	Zupka	BHM	CSH	Rehmann	Perry
1 QA TIMELINESS SCORE (60% or 6 pts if firms has no record)	10	10	9.89	10	10	10
2 QA REPORT QUALITY SCORE (60% or 3 pts if firms has no record)	5	4.86	4.82	4.81	5	4.8
3 QA WORKPAPER QUALITY SCORE (100% or 5 pts if firms has no record)	5	5	5	5	5	5
4 QA CURRENT BACKLOG SCORE (100% or 5 pts if firms has no record)	5	5	5	5	5	5
5* UNDERSTANDING OF SCOPE Only one firm gets max. - Points should be awarded based on the firm's ability to meet the specific scope requirements of this RFP with appropriate hours assigned to staff that are specifically identified and appropriately qualified.	26	23	20	21	24	24
Items to Consider						
Key testing areas appropriate for this Public Office						
Appropriate hours assigned to key testing areas						
Appropriate staff assigned to key testing areas						
Appropriate testing approach for key areas. Consider:						
- Internal control testing where appropriate/required.						
- Sampling where appropriate.						
- Analytics where appropriate.						
- Testing of IT/automated controls where appropriate						
- Testing of required financial statement compliance areas (ORC, OCS, etc.)						
- A-133 testing (major program controls & compliance, SEFA, etc)						
- Firms innovation regarding ways to better serve this client						
Required criteria addressed						
-						
-						
Preferred criteria addressed						
-						
-						
Enter (as a negative number) points deducted for proposals exceeding the page limit stated in the RFP						
6* RELEVANT RECENT EXPERIENCE, EXPERTISE AND TRAINING Only one firm gets max. - Points should be awarded based on the recent experience and CPE/training specifically relevant to this client for the <u>assigned individuals</u> , as detailed in the RFP (consider assigned partner, manager, senior, and staff).	15	14	12	15	11	12
7 QUALIFIED MBE/EDGE FIRM	2					2
8 COST - AOS FORMULA	10	7.1	10	7.22	6.34	8.01
9 (OPTIONAL) CLIENT PREFERENCE POINTS 5 available points that Public Office may award to one firm. Option to also award 4, 3, 2, 1 or zero points to the remaining firms' scores without limitation (OK to give two 4's, three 3's, all zero and so on).	5					
10 COMPLIANCE WITH BIDDING REQUIREMENTS AND OBJECTIVES	15					
TOTAL POINTS	100	68.96	66.71	68.03	66.34	70.81



**BHM CPA Group, Inc. - Balestra, Harr & Scherer, CPAs, Inc.**

Accounting, Auditing and Consulting Services for Federal, State and Local Governments  
[www.bhmcpgroup.com](http://www.bhmcpgroup.com)

COST PROPOSAL  
FOR  
CITY OF NAPOLEON  
FOR  
PROFESSIONAL AUDITING SERVICES  
JANUARY 1, 2017 THROUGH DECEMBER 31, 2021  
CONTRACT NO. 85BC9-09F0D  
TIER 2

SUBMITTED AUGUST 8, 2017 BY  
BHM CPA GROUP, INC. - BALESTRA, HARR & SCHERER, CPAs, INC.  
MICHAEL A. BALESTRA, SHARHOLDER/DIRECTOR  
[balestra@bhscpas.com](mailto:balestra@bhscpas.com)



**BHM CPA Group, Inc. - Balestra, Harr & Scherer, CPAs, Inc.**

Accounting, Auditing and Consulting Services for Federal, State and Local Governments

[www.bhmcpagroup.com](http://www.bhmcpagroup.com)

**COST PROPOSAL**

**TOTAL ALL-INCLUSIVE MAXIMUM FEE  
FOR THE AUDIT OF THE FINANCIAL STATEMENTS OF  
THE CITY OF NAPOLEON**

For the Period January 1, 2017 Through December 31, 2021

City of Napoleon	<u>\$110,000.00</u>
Total all-inclusive fixed fee:	<u>\$110,000.00</u>

I certify that I am entitled to represent this firm, empowered to submit the bid and authorized to sign a contract with the City of Napoleon. Further, the total all-inclusive fixed fee for this audit engagement shall be one hundred ten thousand dollars.

**Michael A.  
Balestra**

Digitally signed by Michael A. Balestra  
DN: cn=Michael A. Balestra, o=A Division of BHM  
CPA Group, ou=Balestra, Harr & Scherer, CPAs,  
Inc., email=mike.balestra@bhmcpagroup.com,  
c=US  
Date: 2017.08.08 13:32:14 -04'00'

Michael A. Balestra

Shareholder/Director

Title

August 8, 2017

Date



**BHM CPA Group, Inc. - Balestra, Harr & Scherer, CPAs, Inc.**

Accounting, Auditing and Consulting Services for Federal, State and Local Governments

[www.bhmcpagrup.com](http://www.bhmcpagrup.com)

**COST PROPOSAL**

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
TO SUPPORT THE TOTAL ALL-INCLUSIVE MAXIMUM FEE  
FOR THE AUDIT OF THE FINANCIAL STATEMENTS OF  
THE CITY OF NAPOLEON

FOR THE PERIOD JANUARY 1, 2017 THROUGH DECEMBER 31, 2021

Estimate Hours/Cost by Classification	Hours	Hourly Rate	Total Cost
Engagement Partner	20	\$ 110.00	\$ 2,200.00
Senior Audit Manager	80	\$ 75.00	\$ 6,000.00
Audit Manager	120	\$ 55.00	\$ 6,600.00
Staff Auditor	180	\$ 40.00	\$ 7,200.00
Total Fixed Fee Bid for Fiscal Year 2017	400	\$ 55.00	\$ 22,000.00
Total Fixed Fee Bid for Fiscal Year 2018	400	\$ 55.00	\$ 22,000.00
Total Fixed Fee Bid for Fiscal Year 2019	400	\$ 55.00	\$ 22,000.00
Total Fixed Fee Bid for Fiscal Year 2020	400	\$ 55.00	\$ 22,000.00
Total Fixed Fee Bid for Fiscal Year 2021	400	\$ 55.00	\$ 22,000.00
Total Fixed Fee Bid for Fiscal Years 2017 to 2021			\$ 110,000.00



**BHM CPA Group, Inc. - Balestra, Harr & Scherer, CPAs, Inc.**

Accounting, Auditing and Consulting Services for Federal, State and Local Governments

[www.bhncpagroup.com](http://www.bhncpagroup.com)

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**TECHNICAL PROPOSAL  
FOR  
CITY OF NAPOLEON  
FOR  
PROFESSIONAL AUDITING SERVICES  
FOR  
JANUARY 1, 2017 THROUGH DECEMBER 31, 2021  
CONTRACT NO. 85BC9-09F0D  
Tier 2**

SUBMITTED AUGUST 8, 2017 BY  
BHM CPA GROUP, Inc. - BALESTRA, HARR & SCHERER, CPAs, INC.  
MICHAEL A. BALESTRA, SHARHOLDER/DIRECTOR  
[mike.balestra@bhncpagroup.com](mailto:mike.balestra@bhncpagroup.com)



**BHM CPA Group, Inc. - Balestra, Harr & Scherer, CPAs, Inc.**

Accounting, Auditing and Consulting Services for Federal, State and Local Governments

[www.bhmcpgroup.com](http://www.bhmcpgroup.com)

August 8, 2017

Auditor of State, Northwest Region  
IPA Contracting  
One Government Center Suite 1420  
Toledo, Ohio 43604

BHM CPA Group, Inc. -Balestra, Harr & Scherer, CPAs, Inc. is pleased to present the following technical proposal to provide audit services for City of Napoleon for the period of January 1, 2017 through December 31, 2021. We strongly believe after reviewing our credentials, you will find BHM CPA Group, Inc. - Balestra, Harr & Scherer, CPAs, Inc. (BHS or the Firm) is the best fit for City of Napoleon. Our government expertise and value-driven pricing makes the Firm uniquely qualified to serve as independent public accountants for the City.

BHS provides technical expertise to state and local governmental entities throughout Ohio. For over 20 years, our accountants have served as advisors to the governments and non-profit organizations in Ohio. Furthermore, we have specialized practice areas by industry to better serve the needs of our clients. This specialization permits us a deeper knowledge of our clients and to anticipate their needs based upon our understanding of industry trends.

Our mission is to provide you quality services while maintaining the highest level of ethics, value, and integrity that is demanded of our profession. Personalized service is our focus as the client is our number one priority. We will be accessible to the client throughout the contract period, not just during our onsite fieldwork. We will ensure the client that only experienced and competent managers and staff will be assigned to their contract. Also, we understand that the client's daily operations do not halt upon our arrival and respect that they and their staff has a job to do. Our managers and staff will work with the client to ensure minimal disruption to their operations during our onsite visits.

We have developed our proposal in order to fully address the Request for Proposal. We trust, that after evaluating the following proposal, you will agree that BHM CPA Group, Inc. - Balestra, Harr & Scherer, CPAs, Inc. is the best choice to serve the needs of the City.

We appreciate the opportunity to submit our proposal to the City.

Sincerely,

**Michael A. Balestra**

Digitally signed by Michael A. Balestra  
DN: cn=Michael A. Balestra, o=A Division of BHM CPA  
Group, ou=Balestra, Harr & Scherer, CPAs, Inc.,  
email=mike.balestra@bhmcpgroup.com, c=US  
Date: 2017.08.08 13:52:28 -04'00'

Balestra, Harr & Scherer, CPAs, Inc.  
Michael A. Balestra, Shareholder/Director

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## MANDATORY ELEMENTS Required Affirmations

PUBLIC OFFICE: City of Napoleon COUNTY: Henry  
 CONTRACT NUMBER: 85BC9-09F0D CONTRACT PERIOD: January 1, 2017 through December 31, 2021

To be considered, **the proposal must address every one of the elements.** When these are not fully addressed, proposals will be considered non-responsive to the RFP and will not be evaluated further. Please ensure these affirmations are the first element of your firm's proposal and indicate your firm's agreement with the affirmation by checking the respective box for each affirmation.

1.	<b><u>CPA Licensure Laws</u></b> Our firm is licensed by the Ohio Accountancy Board to do business in Ohio and will remain in compliance with Ohio CPA licensure laws and rules.	<input checked="" type="checkbox"/> Affirmed
2.	<b><u>CPE requirements</u></b> Our firm and all assigned key professional staff are, and will remain, in compliance with governmental qualification standards, including governmental continuing education requirements.	<input checked="" type="checkbox"/> Affirmed
3.a.	<b><u>Peer Review (Opt. 1)</u></b> Our firm has undergone an external quality control peer review, conducted in accordance with generally accepted government auditing standards, within the last three years and received a pass rating. The current report is on file with the Auditor of State's Office.	<input checked="" type="checkbox"/> Affirmed <input type="checkbox"/> N/A
3.b.	<b><u>Peer Review (Opt. 2)</u></b> In accordance with GAGAS 3.97, our firm is not yet required to have an external quality control peer review, conducted in accordance with generally accepted government auditing standards. When required, our firm will have the appropriate peer review conducted and provide a copy of the report to the Auditor of State's Office.	<input type="checkbox"/> Affirmed <input checked="" type="checkbox"/> N/A
4.	<b><u>Ohio Ethics Laws</u></b> Our firm and all assigned key professional staff are, and will remain, in compliance with the requirements of Ohio's Ethics Law, as applicable and found at § 2921.42 and in Chapter 102 of the Ohio Revised Code.	<input checked="" type="checkbox"/> Affirmed
5.	<b><u>Rules and Laws Regarding Conflicts of Interest</u></b> Our firm and all assigned key professional staff are, and will remain, in compliance with laws and rules regarding conflicts of interest.	<input checked="" type="checkbox"/> Affirmed
6.	<b><u>Unresolved Findings for Recovery</u></b> Our firm is not subject to any unresolved finding for recovery issued by the Auditor of State under Ohio Rev. Code § 9.24, or our firm has taken appropriate remedial steps required under R.C. § 9.24. Our firm agrees that if this statement is deemed to be false, the contract shall be declared "void ab initio" between the parties, and <u>City of Napoleon</u> will not be obligated to pay for goods or services rendered under the contract. Any funds paid under the contract shall be remitted by our firm to <u>City of Napoleon</u> or an action for recovery of such payments may result.	<input checked="" type="checkbox"/> Affirmed
7.a.	<b><u>Independence - Nonaudit Services Provided (Opt. 1)</u></b> <ul style="list-style-type: none"> <li>➤ Our firm has listed and described in our proposal any and all nonaudit services that have been provided to <u>City of Napoleon</u> over the previous five (5) years from the date of our proposal or are expected to be provided during the contract term;</li> <li>➤ Our firm and all assigned key professional staff are independent of <u>City of Napoleon</u> as defined by U.S. Government Accountability Office's <i>Government Auditing Standards</i>;</li> <li>➤ Our firm and all assigned key professional staff are, and will remain, in compliance with GAO rules relating to auditor independence; and</li> <li>➤ In providing such nonaudit services, our firm did not perform management functions, make management decisions for <u>City of Napoleon</u> nor led reasonable third parties, with knowledge of the relevant facts and circumstances, to conclude our firm would be auditing our own work.</li> </ul>	<input checked="" type="checkbox"/> Affirmed <input type="checkbox"/> N/A
7.b.	<b><u>Independence - Nonaudit Services NOT Provided (Opt. 2)</u></b> <ul style="list-style-type: none"> <li>➤ Our firm and all assigned key professional staff are independent of <u>City of Napoleon</u> as defined by U.S. Government Accountability Office's <i>Government Auditing Standards</i>;</li> <li>➤ Our firm <b>has not provided</b> nonaudit services affecting the audit periods that involved performing management functions or making management decisions for <u>City of Napoleon</u>; and</li> <li>➤ If selected, our firm <b>will not provide</b> nonaudit services to <u>City of Napoleon</u> during the term of the contract that would require our firm to perform management functions or make management decisions for the entity, or would lead reasonable third parties, with knowledge of the relevant facts and circumstances, to conclude that our firm would be auditing our own work.</li> </ul>	<input type="checkbox"/> Affirmed <input checked="" type="checkbox"/> N/A
8.	<b><u>Independence - Entity's Components</u></b> <ul style="list-style-type: none"> <li>➤ Our firm and all assigned key professional staff are independent of the entity's components listed in Section III (G); of the Request for Proposal.</li> </ul>	<input type="checkbox"/> Affirmed <input checked="" type="checkbox"/> N/A

9.a.	<p><b><u>Independence - Entity's Components - Nonaudit Services Provided (Opt. 1)</u></b></p> <ul style="list-style-type: none"> <li>➤ Our firm has listed and described in our proposal any and all nonaudit services that have been provided to City of Napoleon _____'s components listed in Section III(G) of the Request for Proposal over the previous five (5) years from the date of our proposal, or are expected to be provided during the contract term;</li> <li>➤ Our firm and all assigned key professional staff are independent of City of Napoleon _____'s components as defined by U.S. Government Accountability Office's <i>Government Auditing Standards</i>;</li> <li>➤ Our firm and all assigned key professional staff are, and will remain, in compliance with GAO rules relating to auditor independence; and</li> <li>➤ In providing such nonaudit services, our firm did not perform management functions, make management decisions for City of Napoleon _____'s components nor led reasonable third parties, with knowledge of the relevant facts and circumstances, to conclude our firm would be auditing our own work.</li> </ul>	<input type="checkbox"/> Affirmed <input checked="" type="checkbox"/> N/A
9.b.	<p><b><u>Independence - Entity's Components - Nonaudit Services NOT Provided (Opt. 2)</u></b></p> <ul style="list-style-type: none"> <li>➤ Our firm and all assigned key professional staff are independent of City of Napoleon _____'s components as defined by U.S. Government Accountability Office's <i>Government Auditing Standards</i>;</li> <li>➤ Our firm <b>has not provided</b> nonaudit services affecting the audit periods that involved performing management functions or making management decisions for City of Napoleon _____'s components; and</li> <li>➤ If selected, our firm <b>will not provide</b> nonaudit services to City of Napoleon _____'s components during the term of the contract that would require our firm to perform management functions or make management decisions for City of Napoleon _____'s components, or would lead reasonable third parties, with knowledge of the relevant facts and circumstances, to conclude that our firm would be auditing our own work.</li> </ul>	<input type="checkbox"/> Affirmed <input checked="" type="checkbox"/> N/A
10.	<p><b><u>Independence – Oversight Unit if Entity is a Component of Another Public Office</u></b></p> <p>Our firm and all assigned key professional staff are independent of the following Oversight Unit:</p> <p>_____</p>	<input type="checkbox"/> Affirmed <input checked="" type="checkbox"/> N/A
11.a.	<p><b><u>Independence – Oversight Unit if Entity is a Component of Another Public Office – Nonaudit Services Provided (Opt. 1)</u></b></p> <ul style="list-style-type: none"> <li>➤ Our firm has listed and described any and all nonaudit services that have been provided to _____ over the previous five (5) years from the date of the proposal;</li> <li>➤ Our firm and all assigned key professional staff are independent of _____ as defined by U.S. Government Accountability Office's <i>Government Auditing Standards</i>;</li> <li>➤ Our firm and all assigned key professional staff are, and will remain, in compliance with GAO rules relating to auditor independence; and</li> <li>➤ In providing such nonaudit services, our firm did not perform management functions, make management decisions for _____ nor led reasonable third parties, with knowledge of the relevant facts and circumstances, to conclude our firm would be auditing our own work.</li> </ul>	<input type="checkbox"/> Affirmed <input checked="" type="checkbox"/> N/A
11.b.	<p><b><u>Independence - Oversight Unit if Entity is a Component of Another Public Office - Nonaudit Services NOT Provided (Opt. 2)</u></b></p> <ul style="list-style-type: none"> <li>➤ Our firm and all assigned key professional staff are independent of _____ as defined by U.S. Government Accountability Office's <i>Government Auditing Standards</i>;</li> <li>➤ Our firm <b>has not provided</b> nonaudit services affecting the audit periods that involved performing management functions or making management decisions for _____; and</li> <li>➤ If selected, our firm <b>will not provide</b> nonaudit services to _____ during the term of the contract that would require our firm to perform management functions or make management decisions for the entity, or would lead reasonable third parties, with knowledge of the relevant facts and circumstances, to conclude that our firm would be auditing our own work.</li> </ul>	<input type="checkbox"/> Affirmed <input checked="" type="checkbox"/> N/A
12.	<p><b><u>Personal and External Impairments</u></b></p> <ul style="list-style-type: none"> <li>➤ Our firm and all assigned key professional staff have no personal or external impairments to independence due to relationships with City of Napoleon _____, and have listed and described in our proposal all our firm's professional relationships that could affect our impartiality or the appearance of impartiality involving the City of Napoleon _____ or any of its agencies/agencies or components /agencies, components or oversight unit, as applicable for the past five (5) years from the date of the proposal; If appropriate, our proposal has included a statement explaining why such relationships do not constitute an independence issue relative to performing the proposed audit.</li> <li>➤ Our firm shall give City of Napoleon _____ and the Auditor of State written notice of any professional relationships entered into during the period of this agreement, relative to parties connected to this proposed engagement that could affect our impartiality or the appearance of impartiality.</li> <li>➤ Prior to entering into any new agreement to provide any nonaudit service to City of Napoleon _____ during the term of the contract, our firm will notify the Auditor of State through completion of the IPA Nonaudit Service GAO Independence Notification/Evaluation (Exhibit E of the RFP). By filing this form, our firm asserts the non-audit service does not impair our firm's independence.</li> </ul>	<input checked="" type="checkbox"/> Affirmed
13.	<p><b><u>Inappropriate Public Office Contact</u></b></p> <p>Our firm and all assigned key professional staff have not made, and will not make, any contact with personnel of the City of Napoleon _____ regarding this request for proposal other than allowed by Section I. C. of the RFP.</p>	<input checked="" type="checkbox"/> Affirmed
14.	<p><b><u>Subcontractors</u></b></p> <p>If subcontractors are engaged, our firm will ensure the subcontractor(s) have met all applicable elements listed in the affirmations above.</p>	<input type="checkbox"/> Affirmed <input checked="" type="checkbox"/> N/A
15.	<p><b><u>Irrevocable Offer</u></b></p> <p>Our firm's proposal is a firm and irrevocable offer for 90 days.</p>	<input checked="" type="checkbox"/> Affirmed

## OTHER REQUIRED ELEMENTS

### **Public Office, Contract Period, and Scope**

**Public Office:** City of Napoleon

**Contract Period:** January 1, 2017 through December 31, 2021

### **Audit Scope**

The Auditor of State and City of Napoleon desire the IPA to express an opinion on the fair presentation of its financial statements in conformity with the financial reporting framework the Public Office uses. The IPA will follow applicable standards and any applicable AOS guidance in forming this opinion.

The IPA will follow the reporting guidance in AU-C-730 regarding required supplemental information.

The IPA will express an opinion on the fair presentation of its' combining and individual fund financial statements and schedules in conformity with accounting principles generally accepted in the United States of America. The IPA will follow the reporting guidance from AU-C-725 regarding supplemental information. The IPA is not required to express an opinion on the fair presentation of the statistical section or transmittal letter of the report.

Should we become aware that the Public Office is subject to audit requirements that may not be encompassed in the terms of the contract we will communicate this immediately to the Auditor of State, that in accordance with the established contract, certain relevant legal, regulatory or contractual requirements may not be met.

The audit will be performed in accordance with the American Institute of Certified Public Accountants' auditing standards generally accepted in the United States of America and the most recent applicable U.S. Government Accountability Office's *Government Auditing Standards*.

We will test compliance utilizing the most current version of the Ohio Compliance Supplement (OCS) which will assist in determining audit steps to be performed. We will cover all the applicable and material areas listed in the OCS over each audit period. We will document our testing in a logical manner in order to facilitate a review to verify that all applicable and material compliance areas have been completed.

We will ensure all other federal, state or local compliance requirements that are material to the Public Office is tested as required by Generally Accepted Government Auditing Standards.

### **Required Reports**

Upon completion of the audit the financial statements of the City we will issue the following reports:

1. A report on the fair presentation of the financial statements in conformity with the applicable financial reporting framework, including required and any other supplementary information.

2. A combined report on the compliance and internal controls required by *Government Auditing Standards*
3. A management letter, separate from other electronically submitted reports.

**Special Considerations**

1. If the City is a significant component of another entity, the IPA shall prepare a “Component Auditor Representation Letter” for the City. Directions regarding this letter, as well as additional instructions concerning the responsibilities of the component auditor will be provided annually to the IPA by the group engagement team (GET). This letter should be sent directly to the GET by the date indicated in the corresponding instructions for each period audited. In addition, the IPA will be responsible for updating subsequent events through the group engagement opinion date identified in the instructions for each year audited at no additional cost to the client.
2. The City will prepare a CAFR and it must be submitted with the appropriate reports as defined in the RFP.
3. The City will send its CAFR to the Government Finance Officers Association of the United States and Canada for review in its Certification of Achievement for Excellence in Financial Reporting program. The auditor will not be required to provide special assistance to the City to meet the requirements of that program.

**Proposed Engagement Timetable**

For the audit of the Financial Statements of the City for the contract period of January 1, 2017 through December 31, 2019 our timetable follows the specifics outlined in the RFP. However, we also prefer to accelerate completion of the audit based on the City’s ability to prepare a complete draft of its financial statements. Note: multi-year contracts will follow similar dates to be assumed to fall within seven (7) days of the schedule below.

	Date
1. IPA and representatives of Public Offices hold interim entrance conference	12/17
2. IPA completes interim fieldwork	1/18
3. IPA and representatives of Public office hold progress conference	As Needed
4. IPA provides detailed audit plan and list of schedules to be prepared by Public Office	12//17
5. IPA and representatives of Public office hold fieldwork entrance conference	3/18
6. IPA begins fieldwork	3//18
7. Public Office finalizes accounting records – Cash	1//18
8. Public Office provides GAAP financial statements	4//18
9. IPA completes fieldwork	4/18
10. Public Office provides Draft CAFR	4//18
11. IPA provides all recommendations, revisions, and suggestions for improvement to the City Auditor	5//18
12. IPA provides drafts of reports and recommendations to management	5/18
13. Public office submits in writing final responses to IPA draft documents	5//18
14. IPA provides revised report to the City Auditor	5/18
15. IPA and representatives of Public Office hold exit conference	6/18
16. Public IPA delivers final report to Auditor, Quality Assurance, Columbus, Ohio. This date shall be no later than six (6) months past the Public Office’s fiscal period end of the period under audit.	6/18

The Office of the Auditor of State must receive written notification should be timetable submitted require modification. Changes in the timetable may be made only with the written consent of the Auditor of State.

### **Communication**

BHM CPA Group, Inc. - Balestra, Harr & Scherer, CPAs, Inc. is committed to open communications with its clients in whatever method they so choose or view as most effective throughout the audit. These methods could include, but are not limited to, phone conversations, email messages, written communication and in-person meetings. Status meetings will be arranged to communicate any significant audit issues identified, any difficulties obtaining sufficient audit documentation, or at the request of the City.

At the entrance meeting noted above, we will provide the City with the annual audit engagement letter which will specify the audit objectives as well as management's responsibilities associated with the audit. At the exit conference noted above, we will request management sign a representation letter associated with the current year audit. We will work with the City to meet your expectation of proper communication during the audit engagement. At the conclusion of each audit, an invitation to present the audit reports and results to the governing body will be extended. If an in-person meeting with members of the governing body is declined, we will communicate required elements of the audit process and results to the head of the governing body via written communication.

### **Firm Contact**

Michael A. Balestra, Shareholder/Director, is responsible for the services provided to the City of Napoleon. Michael is located at 528 South West Street, Piketon, Ohio 45661. His phone number is 740-708-0954 and fax number is 888-900-1264. He may also be reached by email at [mike.balestra@bhmcpgroup.com](mailto:mike.balestra@bhmcpgroup.com).

## **Audit Approach**

BHM CPA Group, Inc. - Balestra, Harr & Scherer, CPAs, Inc. uses a Knowledge-Based Audit (KBA) methodology which was designed by CCH to help the auditor efficiently and effectively perform financial statement audits of state and local governments in accordance with auditing standards generally accepted in the United States of America (GAAS) and generally accepted *Government Auditing Standards* (GAGAS). Also, our firm uses CCH's ProSystem fx Engagement software which simplifies the audit process using paperless workpapers and integrated workflow features.

The KBA methodology is a risk-based audit approach which emphasizes using the knowledge of the auditee to make risk assessments in connection with the financial statement audit. The methodology is developed around the financial statement assertions. Risk assessment procedures provide the basis for assessing the risk of material misstatement. Risk of material misstatement is the auditor's combined assessment of inherent and control risk. Responses are then designed so that further audit procedures address each relevant assertion according to its risk.

Our audit approach for this engagement will be firmly established after determining the audit risks associated. While some auditing procedures are required to be performed by standards, our assessment of the audit risks associated with the financial statements, compliance with material laws and regulations, as well as compliance with requirements that could have a direct and material effect on each major program will dictate what approach is utilized in the various work sections of this audit.

Audit risks will be evaluated based on our understanding of the internal controls structure, policies and procedures, level of automation, and oversight by management at the City. Once an understanding is developed, we will document, and test to the extent necessary, that our understanding of these risk factors is accurate. Outside factors influencing audit risk will also be evaluated during this process. Outside factors could include, but are not limited to funding policies, local economy, regulatory environment and/or changes in financial reporting requirements.

After we have identified, documented and assessed the audit risks and controls established by the City to mitigate these risks, audit programs will be tailored for each section anticipated for the audit. The Engagement Partner will be involved early in the planning process to provide the necessary insight and vision, related to the audit risks. This will ensure the groundwork for an effective and an efficient audit.

### **Audit Planning**

A complete and comprehensive audit plan is established prior to fieldwork. This plan is the key for an efficient and effective audit process for both us as well as the City. Our objectives to be accomplished during the planning process include the following:

- Obtain an understanding of the environment in which the City operates including any changes in method(s) of funding, regulatory requirements, compliance requirements, and/or changes in reporting standards and how those changes affect the City.
- Establish an understanding of the City's concerns regarding financial reporting and compliance issues. Inquiries of appropriate management and staff members regarding possible fraud factors will be conducted.
- Based on preliminary financial information, we will establish planning materiality thresholds to be used during our risk assessment. Planning materiality will take into consideration the results from our preliminary analytical procedures performed on the financial data.
- We will follow up on the status of prior report's material recommendations and findings as required by *Government Auditing Standards*, 4.09.
- Identify material account balances and transaction types through a review of the prior audit report and current year trial balances. Significant line items (material and those not material but deemed significant due to other risk factors) will be identified based on planning materiality.
- Perform preliminary analytical procedures. Analytical procedures assist us in identifying relationships and individual items that appear unusual.
- Identify and assess inherent risk factors.
- Identify laws and regulations that may have a direct and material effect on the financial statement audit as required by *Government Auditing Standards*, 4.10 - 4.11.
- Discuss with appropriate officials the impact of any recently issued GASB pronouncements, statements on auditing standards, Auditor of State bulletins, and other significant issues that may have an impact on the current audit.
- Based on identified inherent and control risk factors and the results of our tests of controls, we will develop substantive audit programs for the financial statement audit.
- Identify those laws and regulations (federal, state, local, self-adopted) which are deemed to be direct and material to the amounts presented in the financial statements.
- Once the risk assessment is complete, audit programs and specific work scope for each significant audit section will be developed. Section of items for testing will be developed.
- Finalize our overall audit plan by communicating timing of tests to be performed, sample selections and required documentation to the City, preparation and distribution of necessary audit confirmations, and preparing our audit planning memo which notes audit goals among other matters.

## **Understanding and Documenting Internal Controls**

It is necessary to obtain knowledge of control activities to plan the audit to identify types of potential misstatements, consider factors that affect the risk of material misstatement and design substantive tests. We will identify key balances, classes or assertions for which we believe an understanding of controls is necessary.

*Generally Accepted Auditing Standards* require us not only to document our understanding of the internal control components, but also to substantiate key controls for significant transaction classes which have been put into operation. Documentation of control components will be achieved through flowcharts, questionnaires, decision tables or memorandums as we deem appropriate. We will perform walk-throughs of significant key control components to determine they have been put into operation and are working as intended. Where the planned assessment of internal control risk warrants, we will test an appropriate number of transactions within the appropriate class to determine if the identified key controls are working as intended. The number of control transactions tested will be determined by procedures prescribed in the AICPA *Audit Sampling Guide* based on our planned level of reliance on controls for those segments.

## **Sampling**

Audit sampling will be utilized in designing our tests of controls, substantive tests of balances and classes of transactions and tests of compliance with laws and regulations. Typically, a non-statistical sampling approach is used.

For all audit samples, we will clearly define the population, document our determination of the number of transactions/items necessary for the sample to support our test objects, select transactions/items that are representative of the population, and project our sample results to the population and consider sampling risk.

## **Analytical Procedures**

Analytical procedures are used in various forms in each of our auditing sections. Planning analytics assist in identifying significant audit areas as well as providing risk information to determine the nature, timing and extent of substantive procedures for a specific line item. In the individual audit sections, changes in key financial and operational data are analyzed as a means to assessing the outcomes reported in the financial statements. These tests are performed using related account balances, ratios and trends to provide evidence of the reasonableness of account balances. Final analytics provide the final opportunity to evaluate the results of our auditing procedures in comparison with the amounts and disclosures presented in the final basic financial statements presented.

## **Information Technology (IT)**

The City's IT environment will be analyzed in two separate components: 1) the general computer control environment, and 2) specific applications which affect amounts or disclosures within the basic financial statements.

General computer controls include the network security settings, ability to gain access to the network, procedures used to add or remove network access permissions, and disaster recovery plans. We will interview the appropriate personnel to document the items noted above as well as perform a walk through if necessary to determine appropriate controls have been implemented to address the risk associated with these general computer controls.

Specific application controls will be tested in conjunction. Specific user controls identified will be documented and a walk through performed, if necessary, to determine if appropriate controls have been established over the financial accounting system. Any other specific applications significant to the financial statements amounts, we will utilize the services of our IT consulting division to assess the control environment to determine the audit risk associated with any such specific application.

### **Determining Material Laws and Regulations**

During general planning, we will inquire, observe, inspect and review documents to obtain a knowledge and understanding of the legal requirements, political considerations, reporting requirements and economic considerations of the City. Also, based on our experience with Charter City Governments we understand the specific requirements which are relevant to City.

We will read the pertinent statutes and regulations, and excerpt significant items for the permanent file section of the work papers. Federal or state statutes and regulations have an important influence on a local government's operations, control procedures and accounting system. Also, the relationship of state and local laws to federal laws may be important. If any legal requirements require clarification, we will request a written interpretation from the City' legal counsel.

We will design the audit to provide reasonable assurance that the financial statements are free of material misstatements resulting from violations of laws and regulations that have a direct and material effect on the determination of financial statement amounts. Thus, in planning the audit, we will obtain an understanding of the possible effects of such laws and regulations on the City' financial statements.

### **Identify significant line items, accounts, and assertions.**

Based upon our understanding of City's operations, we will have identified the following significant processes and related financial statement accounts:

- Cash and investment management
  - a. Cash and Cash Equivalents – pooled and segregated
- Budget Management
  - a. Appropriations
  - b. Status of budgetary resources
  - c. Estimated resources
  - d. Encumbrances and un-obligated balances
  - e. Transfers and advances in and out, advances to and from other funds
- Financial Reporting
  - a. Basic Financial statements
  - b. MD & A
  - c. Supplementary information (investment, actuarial, statistical, and plan statement)
  - d. Required Supplementary information
  - e. Additional information
- Revenue Management Process
  - a. Accounts, intergovernmental, property taxes, income, loans and other receivables
  - b. Charges for services, license and permits, fines and forfeitures, rent, interest and other
  - c. Intergovernmental
  - d. Property and income taxes, special assessments

e. Deferred Inflows

Procurement Management Process

- a. Accounts payable and expenses
- b. Material and supplies inventories
- c. Prepaid items, interfund receivable and payable,
- d. Contracts
- e. Capital assets, additions, deletions and depreciation
- f. Debt payable, principal payments, accrued Interest payable, interest expense and deferred charges

Human Resource Management Process

- a. Salaries, Wages and Benefit expense
- b. Employee Pension contributions
- c. Employer Pension contributions
- d. Salaries, Wages and Benefits Payable, intergovernmental payable
- e. Claims payable and expense
- f. Deferred Outflows

Grant Management Process

- a. Grant agreements and awards
- b. Draw Request
- c. Expenditures
- d. Compliance with grant agreements, Federal, State and Local regulations

Court

- a. Test fines, forfeitures and distribution
- b. Test ORC Compliance

**Compliance Testing**

As required by generally accepted government auditing standard, we will perform tests of compliance with laws and regulations that are material to the financial statements accounts. We will utilize the Ohio Compliance Supplement, prepared by the Auditor of State's office, City's resolutions ordinances and policies, debt covenants, trust agreements, federal grant agreements, and program rules and regulations to determine which portion of these may be material to financial statement amounts. Appropriate compliance tests will be designed which could include inspection of documents, confirmation with Trustees, re-performing certain calculations as well as observation and inquiry of City personnel.

**Financial Reporting**

Reviews of the financial statements are performed by managers, directors, partners, and quality control. BHM CPA Group, Inc. - Balestra, Harr & Scherer, CPAs, Inc. will assess the process used to prepare those financial statements for completeness, accuracy, as well as assessing the adequacy of the disclosures included. Any implementation of new accounting standards will be evaluated for proper presentation, disclosure and, if necessary, adjustment of prior amounts. BHM CPA Group, Inc. - Balestra, Harr & Scherer CPAs, Inc. is always available to our clients to discuss in advance, the implementation of new accounting standards into the financial statements.

## BHS Audit Modernization

Balestra, Harr & Scherer, CPAs, Inc. uses various computer applications and software aimed at making the audit process more efficient while reducing the burden the process places on the personnel at the entity being audited.

As stated previously, our firm uses Pro Systems fx Engagement. This is our paperless audit work paper system for all engagements. The system contains all the worksheets, narratives and PDF copies of original documents used during the audit. Also, the information in the previous audit can be rolled forward from one year to the next. This allows us to update the information for the current year instead of recreating a document. A major benefit to us and our client is that documents can be provided electronically in advance, uploaded to our system, and the testing procedures can be set-up prior to us arriving on-site. This reduces the disruption to the client's daily routine while we are on-site and permits them to gather the needed documentation at a time convenient to their work schedules.

To support the flow of large amounts of data from our clients, we set-up individual portals for each of our personnel which allows a client to transmit a large amount of data to us in a secure manner anywhere the client has access to the internet.

### Key Testing Areas & Budgeted Hours

From our understanding of the City we have identified the following as key areas to be subject to our audit procedures. For each key area, we have identified the number of hours we estimate will be needed to complete our audit procedures, as well as the level of firm personnel to be assigned. Specific information about firm personnel to be assigned can be found later in this proposal in the section "Your Audit Team" and Appendix A.

Audit Segment/Task	Total Hours	Partner	Senior Manager	Manager	Staff
Planning	32	8	8	16	-
Internal Control Review	46	2	8	20	16
Other General Procedures	18	-	8	8	2
Legal Compliance	24	-	8	8	8
SOC 1 Work	24	-	8	8	8
Additional CAFR Testing	16	-	4	4	8
Minutes	12	-	-	4	8
Cash and Investments	10	-	2	8	-
Long-term & Short-term Debt, Proceeds of Loans	18	-	2	8	8
Net Position/Fund Balance	4	-	2	2	-
Property Taxes Revenues and Receivables	12	-	2	2	8
Charges for Services Revenues and Receivables	20	-	2	2	16
Sales Tax Revenues and Receivables	4	-	2	2	-
Interest, Fines & Forfeitures, License & Permits Revenues and Receivables	12	-	2	2	8
Intergovernmental Revenues and Receivables	20	-	2	2	16
Non-payroll Expenditures/Expenses	40	-	2	2	36
Payroll Expenditures/Expenses	24	-	2	2	20
Reporting	18	2	8	8	-
Supervision and Review	32	8	8	16	-
<b>Total</b>	<b>400</b>	<b>20</b>	<b>80</b>	<b>120</b>	<b>180</b>

## **Firm Qualifications and Experience**

Balestra, Harr & Scherer, CPAs, Inc. is a leader in providing services to governments in Ohio. As a "Polaris International" and the AIPCA Government Audit Quality Center, we offer immediate access to 3 Partners and over 50 service professionals to provide comprehensive assistance in the accounting, consulting and information technology areas. For the past two decades, Balestra, Harr & Scherer, CPAs, Inc. has numerous local governments including City, Cities, school districts and other special entities. Of unique interest to the City would be our significant area of practice in the governmental sector. Within the governmental sector, we have established a Government Services Group in which professionals focus the entirety of their practice to governmental clients exclusively.

Furthermore our client list includes seven (7) Cities which have many operating similarities to the City of Napoleon. Below is a list of the Cities which we are currently auditing.

### **CITY GOVERNMENT EXPERIENCE**

**Client:** City of Newark, Licking County

**Scope:** CAFR -Financial and Single Audit for the fiscal years 2011 – 2016

**Hours:** Approximately 340 hours per year.

**Client:** City of Fostoria, Huron County

**Scope:** Financial and Single Audit for the fiscal years 2013 – 2016

**Hours:** Approximately 400 per year

**Client:** City of Portsmouth, Scioto County

**Scope:** CAFR, Financial and Single Audit for the fiscal year 2016

**Hours:** Approximately 800 hours per year

**Client:** City of Eaton, Preble City

**Scope:** Financial and Compliance Audit for the fiscal year 2010 – 2016

**Hours:** Approximately 260 hours per year

**Client:** City of Harrison, Hamilton County

**Scope:** CAFR- Financial and Compliance Audit for the fiscal year 2012 – 2016

**Hours:** Approximately 360 hours per year

**Client:** City of Washington Courthouse, Highland County

**Scope:** Financial and Compliance Audit for the fiscal year 2016

**Hours:** Approximately 360 hours per year

**Client:** City of Mt. Healthy, Hamilton County

**Scope:** Financial and Compliance Audit for the fiscal year 2016

**Hours:** Approximately 260 hours per year

Additionally, Balestra, Harr & Scherer, CPAs, Inc. audits the annual basic financial statements or CAFR for numerous other government entities throughout Ohio. Also, Balestra, Harr & Scherer, CPAs, Inc. compiles the annual basic financial statements or CAFR for numerous Cities and government entities throughout Ohio.

## PROPOSED ENGAGEMENT PERSONNEL

Experience and professionalism are the keys to our success. Members of the firm have worked in various entities including governmental and regulated industries. They understand the system from both sides of the equation. Maintaining the highest degree of independence, integrity, and competence, our staff treats all client matters with the utmost confidentiality. Consequently, every member of our firm is committed to providing a high level of service that is responsive to the needs and expectations of each individual client.

We have hand-picked a team, who are experienced specialists in public sector auditing, who understand your environment, know governmental accounting, have long practiced the specialty of governmental auditing and are fully apprised of the changing governmental accounting and auditing standards and regulations. They each have many years of experience directly related to your accounting and auditing needs. Our firm is well respected for professionalism and high standards of performance in the accounting community. More importantly, our firm has the knowledge of and access to leading-edge tools which can be made available to you in assessing how to continue to improve, or even radically redesign, your operations.

Overall, management of the engagement team will be the responsibility of **Michael Balestra, CPA**. Mr. Balestra is an executive/shareholder in firm with 30 years of experience and has extensive experience in conducting audits of City Governments. He has performed over 100 City audits during his tenure with the Auditor of State and as a IPA firm. He is the firm's executive overseeing all governmental and non-profit clients. He also is a major resource on education accounting and education matters for the firm.

In addition, our engagement team will also include:

**Jeff Harr, CPA**, will be the concurring review executive and assist in overall management of the engagement team. Mr. Harr is an executive/shareholder in firm with 35 years of experience and has experience in conducting government audits. He is the firm's Director of Auditing and Quality Control overseeing the firm's quality control program. He is responsible for performing a stringent, independent technical review process of work performed to ensure its accuracy and unbiased reporting.

**Brenden Balestra, CPA**, a senior audit manager, has spent his entire career working with governmental entities and non-profit clients. He is a specialist in GASB reporting and OMB Circular A-133. He is involved in the planning phase including review of the completed areas and testing, and single audit compliance testing. He has worked on more the 15 City audits during his career.

**Amanda Pridemore, CPA**, an audit manager, also has spent her entire career working with governmental entities and non-profit clients. She will be primarily responsible for the engagement team in the general financial statement and compliance area. She has worked on more the 10 City audits during her career.

**Chris Gleason, CISA**, information systems audit senior, has spent his entire career working with governmental entities and non-profit clients. He will be primarily responsible for the engagement team in the EDP audit approach area, in particular the review and testing of general and application controls.

**Bill Lemons, CGFM, CFE**, an audit manager, also has spent his entire career working with City governments, other governmental entities and other non-profit clients. He will be primarily responsible for the engagement team in the general financial statement and compliance area.

**Tim Loper, CGAP**, auditor has spent most of his career working with City governments, other governmental entities and non-profit clients. He will perform testing in the general financial statement and compliance area.

**Zach Holbert, CPA**, auditor has spent most of his career working with City governments, other governmental entities and non-profit clients. He will perform testing in the general financial statement and compliance area.

We anticipate numerous other staff auditors working as part of the engagement team. Our firm's turnover rate is low and the majority of our staff has five plus years of experience. We strive to maintain this low rate to allow personnel continuity. This provides significant benefits to our clients, including increased audit efficiency and enhanced in-depth knowledge of their organization.

Although not directly assigned to this project, we also have a substantial amount of experience in our firm upon which we can draw technical support, if necessary. Our firm specializes in federal, state, and local government units, which includes consulting and auditing for City governments. We will utilize this vast experience base as required during any phase required on this project.

In addition to these staff we have complete access to our firm's Accounting and Audit Support Group. There are two individuals in this group and they devote a considerable amount of time to government accounting and auditing. One individual, **Paul Rennick, CPA**, in our Piketon, Ohio office devotes a considerable amount of time to this niche practice area. During his 35 year career, he has gained extensive experience in audits and consulting for governmental entities and non-profit organizations. His experience ranges from working as a manager for an international accounting firm to being the Chief Deputy for Local Government Services of the Auditor of State before joining our firm. Mr. Rennick is responsible for monitoring the activities of OMB, state and federal agencies, and others organizations regarding government funding, accounting and audit requirements. He will be used for technical and research issues as needed.

Although the City is a governmental entity, there are still some tax related issues that could affect the City. Our tax professionals have assisted government clients in several areas such as:

- Employment tax filings (State, Federal and Local)

Our practice is to assign a tax executive to each engagement to insure that appropriate compliance and planning issues are addressed. Should the need arise, you will be served by the following tax professional.

**Rita Kneece, CPA**, is a tax manager in our Circleville, Ohio office and provides tax advisory services and strategic planning services to individuals, businesses, governments, and tax exempt organizations. She has nearly twenty years of experience in the research and review of technical issues and strategic tax planning. She is knowledgeable in the area of unrelated business income (UBI) and intermediate sanctions.

More detailed resumes of individuals assigned to the engagement are in **Appendix A**.



Balestra, Harr & Scherer, CPAs, Inc.

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Accounting, Auditing and Consulting Services for Federal, State and Local Governments

[www.bhscpas.com](http://www.bhscpas.com)

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APPENDIX A

**ENGAGEMENT PERSONNEL PROFILES**

**MICHAEL A. BALESTRA**

<b>Current position</b>	Shareholder/Director		
<b>Current employer</b>	Balestra, Harr & Scherer, CPAs, Inc.		
<b>Education</b>	B.B.A., Accounting, Ohio University		
<b>Professional certifications</b>	CPA, CFE, CGFM, CITP, CISM		
<b>Total years of experience</b>	35	<b>Years of audit experience</b>	35
<b>Proposed position</b>	Engagement Partner	<b>Years of City experience</b>	33

**Relevant experience**

State and local government audit experience

- **State of Ohio – City Governments.** Mr. Balestra served as an engagement partner on financial statement and compliance audits of City Governments. He also has audited, Counties, Villages, Townships, Special Districts, Colleges and Not for Profits conducted in accordance with *Government Auditing Standards* and the Single Audit Act. These audits involved accounting and auditing principles and techniques that closely resemble those of the City. His responsibilities include supervising and reviewing all phases of field work.
- Also, Mr. Balestra worked for 13 years as a Senior Auditor Manager for the Auditor of State of Ohio and has experience with an international accounting firm. While at the Auditor of State he audited numerous City governments and other government entities.

**Professional accomplishments, affiliations, and other**

Member, Ohio Association of City Business Officials  
 Member, American Institute of Certified Public Accountants  
 Member, Ohio Society of Certified Public Accountants  
 Member, Government Financial Officers Association  
 Member, Association of Certified Fraud Examiners  
 Member, Association of Government Accountants  
 Member, Information Systems Audit and Control Association

**Selected Continuing professional education (last three years)**

Course	Participant (P)/ Instructor (I)	CPE Hours	Date
AICPA Single Audit Training	P	16	01/13
Emerging Trend In Fraud Investigation and Prevention Conference	P	16	05/13
The Higher Education Accounting Forum	P	18	05/13
AOS Combined IPA Conference	P	8	08/13
Emerging Trend In Fraud Investigation and Prevention Conference	P	16	05/14
AOS Combined IPA Conference	P	8	08/14
AOS City Training	P	8	08/14
AICPA Yellow Book Update	P	8	10/14
Emerging Trend In Fraud Investigation and Prevention Conference	P	16	05/15
AOS Combined IPA Conference	P	8	08/15
AOS Community City Training	P	8	08/15
AICPA Yellow Book Update	P	8	10/15
OSCPA SAS Update	P	8	11/15
Emerging Trend In Fraud Investigation and Prevention Conference	P	16	05/16
AOS Combined IPA Conference	P	8	08/16
AOS Community City Training	P	8	09/16

**BRENDEN BALESTRA**

<b>Current position</b>	Senior Audit Manager		
<b>Current employer</b>	Balestra, Harr & Scherer, CPAs, Inc.		
<b>Education</b>	B.B.A., Accounting, Liberty University		
<b>Professional certifications</b>	CPA, CFE		
<b>Total years of experience</b>	20	<b>Years of audit experience</b>	20
<b>Proposed position</b>	Senior Audit Manager	<b>Years of City</b>	20

**Relevant experience**

State and local government audit experience

- **State of Ohio – City Governments.** Mr. Balestra served as a Senior Audit Manager on financial statement and compliance audits of City Governments. He also has audited, Counties, Villages, Townships, Special Districts, Colleges and Not for Profits conducted in accordance with *Government Auditing Standards* and the Single Audit Act. These audits involved accounting and auditing principles and techniques that closely resemble those of the City. His responsibilities include supervising and reviewing all phases of field work.

**Professional accomplishments, affiliations, and other**

Member, Association of Government Accountants  
 Member, American Institute of Certified Public Accountants  
 Member, Ohio Society of Certified Public Accountants  
 Member, Association of Certified Fraud

**Professional accomplishments, affiliations, and other**

Member, Association of Government Accountants  
 Member, American Institute of Certified Public Accountants  
 Member, Ohio Society of Certified Public Accountants

**Selected Continuing professional education (last three years)**

Course	Participant (P)/ Instructor (I)	CPE Hours	Date
AICPA Single Audit Training	P	16	01/13
Emerging Trend In Fraud Investigation and Prevention Conference	P	16	05/13
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OSCPA SAS Update	P	8	11/15
Emerging Trend In Fraud Investigation and Prevention Conference	P	16	05/16
AOS Combined IPA Conference	P	8	08/16
AOS Community City Training	P	8	09/16

**AMANDA PRIDEMORE**

<b>Current position</b>	Senior Auditor		
<b>Current employer</b>	Balestra, Harr & Scherer, CPAs, Inc.		
<b>Education</b>	B.S., Accounting, Whittenburg University		
<b>Professional certifications</b>	CPA		
<b>Total years of experience</b>	10	<b>Years of audit experience</b>	10
<b>Proposed position</b>	Audit Manager	<b>Years of City experience</b>	10

*Relevant experience*

State and local government audit experience

- **State of Ohio – City Governments.** Mrs. Pridemore served as an audit manager on financial statement and compliance audits of City Governments. Mrs. Pridemore served as an audit manager on financial statement and compliance audits of Counties, Villages, Townships, Community Schools, Special Districts and Not for Profits conducted in accordance with *Government Auditing Standards* and the Single Audit Act. These audits involved accounting and auditing principles and techniques that closely resemble those of the City. Mrs. Pridemore’s responsibilities include completing all phases of field work.

*Professional accomplishments, affiliations, and other*

Member, American Institute of Certified Public Accountants  
 Member, Ohio Society of Certified Public Accountants  
 Member, Association of Government Accountants

*Selected Continuing professional education (last three years)*

Course	Participant (P)/ Instructor (I)	CPE Hours	Date
AICPA Single Audit Training	P	16	01/13
Emerging Trend In Fraud Investigation and Prevention Conference	P	16	05/13
The Higher Education Accounting Forum	P	18	05/13
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AOS Combined IPA Conference	P	8	08/16
AOS Community City Training	P	8	09/16

**BILL LEMONS**

<b>Current position</b>	Senior Auditor		
<b>Current employer</b>	Balestra, Harr & Scherer, CPAs, Inc.		
<b>Education</b>	B.S., Accounting, The Ohio State University		
<b>Professional certifications</b>	CGFM, CFE		
<b>Total years of experience</b>	40	<b>Years of audit experience</b>	40
<b>Proposed position</b>	Audit Manager	<b>Years of City experience</b>	40

***Relevant experience***

State and local government audit experience

- **State of Ohio – City Governments.** Mr. Lemons served as an audit manager on financial statement and compliance audits of City Governments. Also, Mr. Lenons served as an audit manager on financial statement and compliance audits of Counties Villages, Townships, Community Schools, Special Districts and Not for Profits conducted in accordance with *Government Auditing Standards* and the Single Audit Act. These audits involved accounting and auditing principles and techniques that closely resemble those of the City. Mrs. Lemons’ responsibilities include completing all phases of field work.

***Professional accomplishments, affiliations, and other***

Member, Government Finance Officers Association  
 Member, Association of Government Accountants

***Selected Continuing professional education (last three years)***

<u>Course</u>	<u>Participant (P)/ Instructor (I)</u>	<u>CPE Hours</u>	<u>Date</u>
AICPA Single Audit Training	P	16	01/13
Emerging Trend In Fraud Investigation and Prevention Conference	P	16	05/13
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APPENDIX B

**PEER REVIEW LETTER**



THE OHIO SOCIETY OF CPAs  
PEER REVIEW PROGRAM

AICPA® Peer Review Program

Administered in Ohio by The Ohio Society of CPAs

December 19, 2014

Jeffrey A Harr, CPA  
Balestra, Harr & Scherer, CPAs, Inc.  
129 Pinckney St  
Circleville, OH 43113

Dear Mr. Harr:

It is my pleasure to notify you that on December 19, 2014 the Ohio Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is November 30, 2017. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,

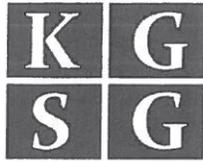
Mark A Malachin, CPA  
Peer Review, Committee Chairman  
peerreview@ohiocpa.com

cc: Lori F Dearfield; Jeffrey A Harr

Firm Number: 10081709

Review Number 356610

Letter ID: 947028



Kelley Galloway  
Smith Goolsby, PSC

Certified Public Accountants and Advisors

1200 Corporate Court • P. O. Box 990 • Ashland, Kentucky 41102

• Phone (606) 329-1811 (606) 329-1171 • Fax (606) 329-8756 (606) 325-0590

• Web [www.ksgscpa.com](http://www.ksgscpa.com) Member of *PKF North America*

## SYSTEM REVIEW REPORT

November 18, 2014

To the Shareholders of  
Balestra, Harr & Scherer, CPAs, Inc.  
and the Peer Review Committee of the Ohio Society of CPA's

We have reviewed the system of quality control for the accounting and auditing practice of Balestra, Harr & Scherer, CPAs, Inc. (the firm) in effect for the year ended May 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Balestra, Harr & Scherer, CPAs, Inc. in effect for the year ended May 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency (ies)* or *fail*. Balestra, Harr & Scherer, CPAs, Inc. has received a peer review rating of *pass*.

*Kelley Galloway Smith Goolsby, PSC*

Kelley Galloway Smith Goolsby, PSC

**ORDINANCE NO. 038-17**

**AN ORDINANCE REPEALING SECTION 711 OF PART 7 OF THE CITY OF NAPOLEON, OHIO CODIFIED ORDINANCES, SPECIFICALLY AMUSEMENT DEVICES AND ARCADES**

**WHEREAS**, City Council recently reviewed the City’s Codified Ordinances in an effort to keep up to date with current regulations; and,

**WHEREAS**, Ordinance No. 049-96, passed by City Council on May 6, 1996, Section 711.02 License was adopted, stating that “no person shall operate within the corporation limits of the City a game room or an amusement arcade without having first obtained a game room an amusement arcade license from the City, requiring that said license be issued by the City of Napoleon Finance Director;” and,

**WHEREAS**, the game room and amusement arcade licenses expire on December 31 annually and are to be renewed each year, if not denied or suspended, by filing proper application and payment with the City Finance Director; said licenses are not transferable; and,

**WHEREAS**, upon recommendation of the City of Napoleon, Ohio’s Acting Chief of Police and Finance Director, this Council deems prudent to repeal the Chapter 711, Amusement Devices and Arcades, in its entirety; **Now Therefore**,

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NAPOLEON, OHIO:**

Section 1. That, this Ordinance does repeal Chapter 711 of Part 7 of the City of Napoleon, Ohio Codified Ordinances, Amusement Devices and Arcades, in its entirety.

Section 2. That, this Council considered the following criteria in making its decision to amend as set forth above:

a. Section 711.02(d) Denial or Revocation of License: Appeal sets forth reasons allowing the City Finance Director to deny, suspend or revoke any license issued, including: failure to pay necessary application fees, falsifying or furnishing incomplete application information, failure to meet Fire and Zoning Codes, having two (2) or more gambling offenses within five (5) years, failing to permit inspection of amusement machines or devices by City officials, having a felony conviction within ten (10) years, lacking the necessary qualifications for holding said license, having two (2) or more direct violations of any provisions of this chapter or any other local, state, or federal law pertaining to amusement devices and/or game rooms or amusement arcades within a five (5) year period, or having or maintaining a nuisance at the place where the mechanical or electrically operated amusement devices are located; and,

b. Section 711.02(e) sets forth the current process that, in the event of a denial, suspension or revocation of said license, the applicant or owner may within ten (10) days appeal the decision to the Finance and Budget Committee of Council by filing notice of appeal with the City Finance Director; and,

c. Section 711.03 sets forth the current license and registration fees, including: thirty dollars (\$30.00) annually for each mechanical or electrically operated

amusement device, thirty dollars (\$30.00) annually for a game room or amusement arcade at each place of business, multiple game rooms at one business location shall be assessed as one (1) business if owned by the same entity, and if any licensed machine or device is replaced or substituted during the registration period, a new application for such machine or device must be submitted with a six dollar (\$6.00) fee; and,

d. The Acting Chief of Police and the City Finance Director, both with historical background in the current licensing process, recommend to this Council that Section 711 of Part 7 of the City of Napoleon Codified Ordinances be repealed in its entirety due to the extensive man hours and expense required for proper regulation of said Section.

Section 3. That, it is found and determined that all formal actions of this City Council concerning and relating to the adoption of this Ordinance were adopted in open meetings of this City Council, and that all deliberations of this City Council and any of its committees that resulted in such formal actions were in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code and the Codified Ordinances of Napoleon Ohio.

Section 4. That, if any other prior Ordinance or Resolution is found to be in conflict with this Ordinance, then the provisions of this Ordinance shall prevail. Further, if any portion of this Ordinance is found to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof.

Section 5. That, this Ordinance shall be in full force and effect on January 1, 2018 at 12:00am; otherwise, it shall be in full force and effect at the earliest time permitted by law.

Passed: \_\_\_\_\_

\_\_\_\_\_  
Travis B. Sheaffer, Council President

Approved: \_\_\_\_\_

\_\_\_\_\_  
Jason P. Maassel, Mayor

VOTE ON PASSAGE \_\_\_\_ Yea \_\_\_\_ Nay \_\_\_\_ Abstain

Attest:

\_\_\_\_\_  
Gregory J. Heath, Clerk/Finance Director

*I, Gregory J. Heath, Clerk/Finance Director of the City of Napoleon, do hereby certify that the foregoing Ordinance No. 038-17 was duly published in the Northwest Signal, a newspaper of general circulation in said City, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_; & I further certify the compliance with rules established in Chapter 103 of the Codified Ordinances Of Napoleon Ohio and the laws of the State of Ohio pertaining to Public Meetings.*

\_\_\_\_\_  
Gregory J. Heath, Clerk/Finance Director

**Chap. 711. Amusement Devices and Arcades.**

**711.01 DEFINITIONS.**

For the purpose of this chapter:

(a) "Game room" or "amusement arcade" means a place of business within a building or any part of a building having five or more mechanical or electrically operated amusement devices which are used for the purpose of public entertainment.

(b) "Exhibitor" means any individual, corporation, or other entity owning and exhibiting or contracting or permitting any mechanical or electrically operated amusement device, as defined in subsection (e) hereof to be installed, used, and exhibited in his/her own place of business irrespective of the ownership of such device.

(c) "Gambling device" means a device as defined in Ohio R.C. 2915.01 or which contains an automatic pay-off device or instrument for the return of slugs, money, coins, checks, tokens, merchandise, or anything of value; or a device which contains an automatic device by the operation of which the player may win at uncertain intervals a free game, a free play, or any other additional amusement and where the device is capable of manually setting odds.

(d) "Gambling offense" means a conviction of any section contained in Ohio R.C. Chapter 2915 or any similar law of any other state, this Municipality, or other municipality or any similar federal law.

(e) "Mechanical" or "electrically operated amusement device" means a machine, device, or instrument which, upon the insertion of a coin, plate, disc, plug, key, token or slug, operates or may be operated for use as a game, contest of skill, or amusement of any description and shall include, but not be limited to, rides, pinball games or marble games, or coin operated mechanical or electrical musical instruments or devices or coin operated or payment of a fee operated billiard tables, pool tables or dart games; however, does not include vending machines and does not include gambling devices.

(f) "Owner" means any individual, partnership, corporation, or other entity having possession or title to any mechanical or electrically operated amusement device, or the proprietor of the business which operates a game room or an amusement arcade.

(g) "Person" means any individual, partnership, corporation, or other entity.

(h) "Applicant" means the individual or entity applying for the license; also, means for the purpose of qualification questions, the individual filling out the application on behalf of the entity as well as any partner, the partnership, organization, corporation or other entity and its officers.

(Ord. 076-08. Passed 10-6-08.)

**711.02 LICENSE.**

(a) Required.

(1) No owner or exhibitor shall install or permit the use in his/her place of business any mechanical or electrically operated amusement device without having first obtained an exhibitor's license. Such license may be obtained by the owner or the exhibitor and shall be required for each such amusement device so installed or used.

(2) No person shall operate within the corporation limits of the City a game room or an amusement arcade without having first obtained a game room or an amusement arcade license from the City.

(b) Issuance. The City Finance Director is authorized to issue licenses to owners and exhibitors of mechanical or electrical amusement devices upon compliance with the requirements set forth in this chapter. Further, said Director is authorized to issue licenses to owners of game rooms and amusement arcades.

(c) Term of License. All current and future City licenses issued pertaining to amusement devices and/or game rooms or amusement arcades shall expire on December 31 after passage of this chapter and each December 31 thereafter. Licenses issued, that are to be effective after January 1, shall be prorated. Licenses may be renewed each year (if not denied or suspended) by filing proper application with the City Finance Director and by making payment of the renewal fee as prescribed. The licenses required herein shall not be transferable. No fee will be reimbursed by the City if the subject of the license later terminates or is discontinued. Licenses may be renewed or obtained thirty days in advance of expiration.

(d) Denial or Revocation of License; Appeal. The City Finance Director may deny, suspend or revoke any license issued or requested to be issued pursuant to this chapter for any of the following reasons:

- (1) Failure to pay necessary application fees.
- (2) Falsifying or furnishing incomplete information on an application.
- (3) Failing to meet Fire or Zoning Codes.
- (4) Having two or more gambling offenses within the last five years.
- (5) Failing to permit inspection of amusement machines or devices by City officials.
- (6) Having a felony conviction within the last ten years.
- (7) Lacking the necessary qualifications for holding a license.
- (8) For having two or more direct violations of any provisions of this chapter or any other local, state or federal law pertaining to amusement devices and/or game rooms or amusement arcades within a five-year period.
- (9) Having or maintaining a nuisance at the place where the mechanical or electrically operated amusement device(s) are located.

(e) In the event that the Director denies, suspends, or revokes any license, the applicant or owner may within ten days appeal such denial, suspension, or revocation to the Finance and Budget Committee of Council by filing notice of appeal with the City Finance Director. The scope of the hearing shall be limited to affirming or disaffirming the denial, suspension or revocation of the license. The Committee may only disaffirm the actions of the Finance Director if they determine by a majority vote, that by a preponderance of the evidence presented, the Finance Director's denial, suspension or revocation was unreasonable, capricious or arbitrary. The hearing shall be informal in nature and the Committee's decision shall be considered a final order.

(f) Applications. Every owner or other person, corporation, lodge, or association desiring to obtain any exhibitor's or game room or amusement arcade license or licenses shall file an

application with the City Finance Director upon a form to be prescribed by the Director prior to the receiving of any such license or licenses, which application shall state among other things:

- (1) The name and address and date of birth of the applicant;
  - (2) The location where the mechanical or electrical amusement devices are to be displayed and/or operated and the business conducted therein;
  - (3) The number of mechanical or electrically operated amusement devices intended to be exhibited;
  - (4) A description of the mechanical or electrically operated amusement devices to be covered by the license, and their mechanical features as well as the name of the manufacturer and the serial number of the machine(s);
  - (5) The name of the owner or owners of the premises wherein the mechanical or electrically operated amusement devices are to be displayed and/or operated;
  - (6) The name of the owner or owners of the business conducted therein;
  - (7) The name of the owner of the mechanical or electrically operated amusement devices, if the person is different than the applicant;
  - (8) Whether or not the applicant or the owner of the mechanical or electrically operated amusement devices or game room or public arcade has been convicted of two or more direct violations of any provisions of this chapter or any other local, state, or federal law pertaining to amusement devices and/or game rooms or amusement arcades within a five-year period; or had a felony conviction within the last ten years; or had two or more gambling convictions within the last five years; and
  - (9) Such application shall have attached a written statement from the Zoning Administrator and Fire Chief that Zoning and Fire Code requirements have been met.
- (g) Per Game Room or Arcade. Each game room or amusement arcade shall be licensed and registered as such, and a license and registration therefore shall be required in addition to, and independent of, the license and registration required herein for individual mechanical or electrically operated amusement devices.
- (Ord. 009-06. Passed 2-20-06.)

### **711.03 LICENSE AND REGISTRATION FEES.**

The moneys received by the Finance Director under the provisions of this chapter shall be credited to the General Fund of the City. The fees for licenses and registration are required to be paid at the time of the issuance thereof and shall be as follows:

- (a) Mechanical or electrically operated amusement device: thirty dollars (\$30.00) each per year.
- (b) Game room or amusement arcade: thirty dollars (\$30.00) per year for each place of business. Multiple game rooms at one business location shall be assessed as one business if owned by the same entity.
- (c) If any licensed machine or device is replaced or substituted during the registration period, a new application for such machine or device must be submitted with a six dollar (\$6.00) fee. The City Finance Director shall then issue a new license for such machine (if an acceptable replacement or substitute) for the balance of the registration period. (Ord. 009-06. Passed 2-20-06.)

#### **711.04 TEMPORARY GAME ROOMS.**

Any nonprofit corporation shall be permitted to operate a temporary game room for five days or less provided that such corporation complies with the provisions of this chapter, and at the same time pays a license fee of twelve dollars (\$12.00) per mechanical or electronically operated amusement device.

(Ord. 009-06. Passed 2-20-06.)

#### **711.05 LICENSE ISSUANCE; INFORMATION ON LICENSE.**

(a) A license shall be issued if:

(1) The applicant for a license has filed the proper application and has paid the proper fee as specified in this chapter and the City Finance Director is satisfied that all information requested is properly given and approved (and not a subject of denial);

(2) That after inspection by the Zoning and Building Administrator/designee it is determined that all wiring and connections meet the then present Electrical Code standards and that the establishment is in a properly zoned area; and

(3) After inspection by the Fire Chief it is determined that all Fire Codes have been met.

(b) Such license shall contain the name and address of the licensee; the number of mechanical or electronically operated amusement devices exhibited or game rooms or amusement arcades intended to be operated; the address at which it is desired to exhibit and operate the devices; the nature of the business conducted at such place; the make, name, model, and other identifying information with reference to the particular devices desired to be exhibited; the serial number of the license; and such other further information as the Director in the Director's discretion may require.

(Ord. 49-96. Passed 5-9-96.)

#### **711.06 TAG OR DECAL DISPLAYED ON EACH MACHINE; ARCADE LICENSE DISPLAYED.**

(a) One of the metal tags or plastic decals issued by the City Finance Director, as required by this chapter, shall be attached to each device on the front thereof, adjacent to the coin slot of such mechanical or electronically operated amusement device licensed, so that the machine licensed can be readily determined by municipal authorities at a glance; however, devices when registered with the City may be operated and shall not constitute a violation of this chapter when not labeled as required by this section.

(b) The game room or amusement arcade license shall be displayed in a prominent place in the business establishment. It shall be the duty of the owner to display the licenses during the period covered by the license.

(Ord. 38-97. Passed 6-2-97.)

#### **711.07 UNLICENSED OR UNREGISTERED DEVICES, GAME ROOMS OR AMUSEMENT ARCADES.**

(a) Except as provided in this Code for nonscheduled/unexpected changeout, no owner or exhibitor shall keep, maintain, permit, or allow any unlicensed and unregistered mechanical or

electronically operated amusement device to be in or upon any public place or place of business under the control, supervision, or direction of such person.

(b) No owner or exhibitor shall operate an unlicensed game room or amusement arcade.  
(Ord. 38-97. Passed 6-2-97.)

#### **711.08 HOURS OF OPERATION OF GAME ROOMS OR AMUSEMENT ARCADES.**

No owner or exhibitor of a game room or an amusement arcade shall permit minors under the age of eighteen to be within a game room or an amusement arcade after 10:00 p.m. Sunday through Thursday, or after 11:30 p.m., on Friday and Saturday, unless accompanied by a parent or legal guardian.

(Ord. 38-97. Passed 6-2-97.)

#### **711.09 MINORS.**

(EDITOR'S NOTE: Former Section 711.09 was repealed by Ordinance 38-97, passed June 2, 1997.)

#### **711.10 PERIODIC INSPECTION.**

The owner of every game room or amusement arcade shall, at all times, permit access to the City Finance Director or his/her designee for the purpose of periodically inspecting both the establishment and the mechanical and/or electrically operated amusement devices.

(Ord. 49-96. Passed 5-9-96.)

#### **711.11 INTOXICANTS PROHIBITED.**

No owner shall permit the consumption of intoxicants or alcoholic beverages by any person on the premises of a game room or amusement arcade unless the owner holds a proper permit from the Ohio Department of Liquor Control.

(Ord. 49-96. Passed 5-9-96.)

#### **711.12 SECURITY REQUIRED; NUISANCE.**

The owner of any game room or amusement arcade shall maintain peace and quiet in and about the location of any game room or amusement arcade. Failure to do so shall constitute a nuisance and may be grounds for revocation of licenses.

(Ord. 38-97. Passed 6-2-97.)

#### **711.13 GAMBLING PROHIBITED.**

The owner of any game room or amusement arcade shall prominently display a sign indicating that gambling is prohibited. It shall further state on such sign that it shall be considered to be a gambling offense if a player agrees to pay for the game of another upon the loss of a game.

(Ord. 38-97. Passed 6-2-97.)

#### **711.14 GAMBLING DEVICE CONFISCATION AND FORFEITURE.**

Any gambling device transported, delivered, shipped, manufactured, reconditioned, repaired, sold, disposed of, received, possessed, or used in violation of the provisions of this chapter shall be seized and forfeited to the City.

(Ord. 49-96. Passed 5-9-96.)

#### **711.15 UNSCHEDULED/UNEXPECTED CHANGEOUT OF DEVICES.**

If an unscheduled/non-expected changeout of any machine or device is made during non-business hours of the City Finance Department, then the owner or exhibitor shall, on the next City of Napoleon, Ohio, business day, report and make necessary application for said substitution.

(Ord. 38-97. Passed 6-2-97.)

#### **711.99 PENALTY.**

(a) Whoever violates any provision of this chapter is guilty of a minor misdemeanor punishable by not more than a one hundred fifty dollar (\$150.00) fine for the first offense and a fourth degree misdemeanor, punishable by a fine of not more than two hundred fifty dollars (\$250.00) and a period of incarceration of not more than thirty days or both for subsequent violations.

(b) Any violation of the provisions of this chapter may be considered by the City Finance Director as a basis for the suspension or revocation of licenses issued pursuant to this chapter.

(c) Each day a violation continues to occur shall constitute a separate offense. Each mechanical or electrically operating device not licensed shall constitute a separate offense.

(Ord. 009-06. Passed 2-20-06.)

City of Napoleon, Ohio  
**LICENSE APPLICATION**  
**GAME ROOMS, AMUSEMENT ARCADES AND AMUSEMENT DEVICES**  
 (Per Updated Codified Ordinances Chapter 711)

<b>APPLICANT (Person License to be Issued to)</b>	
NAME (Last, First, Initial)	ADDRESS:
City, State, Zip	Date of Birth:
Phone Number:	Business Telephone Number:

<b>BUSINESS ORGANIZATION (Location of Devices)</b>	
Business/Organization	Address:
City, State, Zip	Business Federal I.D. Number:      Business Telephone Number:
Contact Person:	Type of Business Conducted:

<b>BUSINESS OWNERS (if Different than Applicant)</b>	
Owner Name	Address:
City, State, Zip	Telephone Number:
Owner Name	Address:
City, State, Zip	Telephone Number:

<b>MACHINE(s) DEVICE(s) OWNER (if Different than Applicant)</b>		
Machine/Device Owner	Address:	
City, State, Zip	Phone Number:	Federal I.D. No.:

<b>GAME ROOM -</b>	<input type="checkbox"/> YES <input type="checkbox"/> NO	<b>TOTAL NUMBER OF UNITS:</b> _____
--------------------	--	-------------------------------------

TYPE OF MACHINE/DEVICE	MECHANICAL FEATURES	NAME OF MACHINE/ DEVICE MANUFACTURER	SERIAL NUMBER OF MACHINE/DEVICE

ARE ANY OF THE MACHINES/DEVICES LISTED HEREIN CONSIDERED "GAMBLING DEVICES" IF YES, PLACE AN "*" NEXT TO DEVICES SO LISTED.	<input type="checkbox"/> YES <input type="checkbox"/> NO
---	--

HAS APPLICANT, BUSINESS OWNER, MACHINE/DEVICE OWNER EVER BEEN CONVICTED OF ANY CRIME (FELONY VIOLATION OR A MISDEMEANOR) INCLUDING, A GAMBLING OFFENSE OR FOR THE SALE OR CONVICTION OF A DRUG OFFENSE IN THE LAST TEN (10) YEARS PRIOR TO THE DATE OF APPLICATION:	<input type="checkbox"/> YES <input type="checkbox"/> NO
---	--

If "YES" - PERSON	LOCATION:	CONVICTION FOR:
If "YES" - PERSON	LOCATION:	CONVICTION FOR:

Under the penalty of law, I, \_\_\_\_\_, applicant for license, hereby state that I am a person of good moral character and that the facts contained in the above application are true and correct and the answers are complete to the best of my knowledge and belief.

Applicant Signature

Date

FEE (as required): \$ \_\_\_\_\_

**REVIEW FOR APPROVAL**

**BUILDING & ZONING:** All Code Requirements Met -  YES  NO

If "No", List Violation(s):

\_\_\_\_\_  
Signature Date

**FIRE DEPARTMENT:** All Code Requirements Met -  YES  NO

If "No", List Violation(s):

\_\_\_\_\_  
Signature Date

**POLICE DEPARTMENT:** -Approved -  YES  NO

If "No", Reason:

\_\_\_\_\_  
Signature Date

**FINANCE DEPARTMENT:** Approved -  YES  NO

If "No", Reason:

\_\_\_\_\_  
Signature Date

**LICENSE NUMBER ASSIGNED:** \_\_\_\_\_

License Issued is Non-Transferable and shall Expire on December 31<sup>st</sup> of Each Year.

**LICENSE MUST BE RENEWED EACH YEAR**

Amusement Licenses  
2017

	<u>Business</u>	<u>Mailed</u>	<u>Second</u> <u>Notice</u>	<u>Address</u>	<u>letter date</u>	<u>Pd Date</u>	<u>Devices</u>	<u>Price</u>	<u>Game Rm</u>	<u>Amt Pd</u>	<u>Lic-#</u>	<u>To Zoning</u>
1	Mike Adams for Petro and Cut Rate Tobacco Petro American Road LLC, 900 American Rd, Napoleon Cut Rate Tobacco LLC, 1205 N Scott St, Napoleon	3/20/2017		R516 Rd 16, Napoleon, OH 43545 419-260-4170	3/20/2017							
2	American Legion	3/20/2017		500 Glenwood Ave Napoleon	3/20/2017	3/29/2017	3	90.00		90.00	17-007	3/29/2017
3	The Eagles	3/20/2017		539 N. Perry St., Napoleon	3/20/2017	4/10/2017	4	120.00		120.00	17-006	4/10/2017
4	Grewal Brothers Corp.	3/20/2017		P O Box 268, Napoleon	3/20/2017							
5	Edwin James Spirits LLC	3/20/2017		619 N. Perry St., Napoleon	3/20/2017		6	180.00	30.00	210.00		
6	River City Recreation, Inc.	3/20/2017		380 Independence, Napoleon	3/20/2017	3/31/2017	14	420.00	30.00	450.00	17-005	3/31/2017
7	NEN MCP Holdings, LLC for Best and Travel Center <del>Best Western, 1290 Independence Dr, Napoleon</del> Fuel King, 1270 Independence Dr, Napoleon	3/20/2017		325 Interlocken Pkwy B, Broomfield, CO 80021 No more Best Western for NEN MCP Holdings	3/20/2017		2	60.00		60.00		
8	VFW Post 8218	3/20/2017		1008 N. Perry St. Napoleon	3/20/2017	3/27/2017	3	90.00		90.00	17-004	3/27/2017
9	NAMCO Entertainment, Inc. Attn: Licensing for Walmart Curt Lindbert, NAMCO Entertainment <a href="mailto:curt.lindbert@namcoentertainment.com">curt.lindbert@namcoentertainment.com</a> Walmart Stores, Inc.	3/20/2017		712 N Central Ave, Suite B, Wood Dale, IL 60191 1815 Scott St, Napoleon	3/20/2017	4/4/2017	3	90.00		90.00		4/4/2017
10	Mike Smith for Moose, Spenglers Moose 1381 Oakwood Ave, Napoleon, OH 43545 Spenglers 713 N Perry St, Napoleon, OH 43545	3/20/2017	6/29/2017	2380 N Scott St/, Napoleon	3/20/2017		2	60.00		60.00		7/19/2017
						7/17/2017	4	120.00		120.00		7/19/2017
11	Playfair Group, Brian Croul for Spin City <a href="mailto:playfair2@msn.com">playfair2@msn.com</a> 1-800-541-3743 ext 107	3/20/2017		7021 Bluffton Rd, Ft Wayne, IN 46809-2705	3/20/2017	4/4/2017	6	180.00	30.00	210.00		4/4/2017
12	Pioneer Vending, Bill Westerhaus Elks 126 E Clinton St, Napoleon, OH 43545			3726 Kessen Ave., Cincinnati, Oh 45211		6/6/2017	7	210.00	30.00	240.00		6/29/2017

TOTAL

\$1,740

# Napoleon Fire Rescue Billing Form

**Department Name** \_\_\_\_\_ **Time of Call:** \_\_\_\_\_ **Time Cleared:** \_\_\_\_\_ **Notes:** \_\_\_\_\_  
**Date of Incident:** \_\_\_\_\_  
**Incident Number:** \_\_\_\_\_  
**Incident Location:** \_\_\_\_\_  
**Type of Incident:** \_\_\_\_\_

Vehicle Crash (Goes to Accumed)

Level 1 Response \$500.00

Level 2 Response \$750.00

Level 3 Response Itemized

<b>Hazardous Material or Level 3</b>	<b>Qty.</b>	<b>Hrs.</b>	<b>Amt.</b>	<b>Total</b>
Fire Dept Engine			\$125.00	
Fire Dept Ladder/Platform Aerial			\$150.00	
Tender			\$50.00	
EMS Transport Vehicle			\$100.00	
Hazardous Material Unit (trailer and pick-up)			\$150.00	
Support Vehicles (as needed by IC)			\$10.00	
Decontamination (per incident)			\$200.00	
Incident Commander (each)			\$50.00	
Operations Officer (each)			\$25.00	
Support Staff			\$15.00	
Fire and EMS Personnel			Rate	
Other Personnel			Rate	
Station fees			\$200.00	
Station fees after first hour			\$25.00	
Max station fees per incident			\$500.00	
Station Fees			\$200.00	
Supplies (charged at replacement cost)				
Administrative Fees (15% of total billing)				

<b>Education Only (Finance)</b>	<b>Qty.</b>	<b>Hrs.</b>	<b>Amt.</b>	<b>Total</b>
Vehicle Fires (up to 2 cars)			\$50.00/hr	
Vehicle Extrication (up to 2 cars)			\$50.00/hr	
Fire Engine			\$125.00/hr	
Ladder Truck			\$150.00/hr	
Tender			\$50.00/hr	

<b>Special Event (EMS Vehicle)</b>	EMS		\$100.00 3hr	
<b>Special Event (Fire Vehicle)</b>	FIRE		\$150.00 3hr	

<b>Inspection Only (Finance)</b>	<b>Qty.</b>	<b>Hrs.</b>	<b>COST</b>	<b>Total</b>
Intinal Inspection			\$0.00	
Second Inspection			\$50.00	
3rd Inspection			\$75.00	
Susequent re-inspections increase in \$50 increments				

<b>Education Only (Finance)</b>	<b>Qty.</b>	<b>Hrs.</b>	<b>Amt.</b>	<b>Total</b>
CPR Training per person			\$45.00	
CPR Training per NHS student			\$9.00	
Use of building Live Burn			\$60.00 /hr	
Use of building <b>NO</b> Live Burn			\$40.00/hr	
Use of building w/bullex			\$55.00/hr	
Lead Instructor			\$50.00 /hr	
Assistant Instructor			\$35.00/hr	
Safety Officer (required for all use)			\$50.00/hr	

<b>False Alarm (Finance)</b>	<b>Qty.</b>	<b>Hrs.</b>	<b>Amt.</b>	<b>Total</b>
3rd False Alarm (commercial)			\$250.00	
4th False Alarm (commercial)			\$500.00	
5th False Alarm (commercial)			\$750.00	
3rd False Alarm (residential)			\$100.00	
4th False Alarm (residential)			\$200.00	
5th False Alarm (residential)			\$300.00	

**GRAND TOTAL:**

**#REF!**

# Napoleon Fire Rescue

**\*Would you like to split charges among drivers? YES  NO**

<b>Responsible Party:</b>		Resident/Employee/Family Member <input type="checkbox"/>		Non-Resident <input type="checkbox"/>	
Name:		Phone #			
Address:		Date of Birth:			
		Insurance Name:			
		Address:			
Vin #:					
Year:					
Make:		Phone #			
Model:		Policy #			
Utility Work Order #				Name on Policy:	
<b>Responsible Party:</b>		Resident/Employee/Family Member <input type="checkbox"/>		Non-Resident <input type="checkbox"/>	
Name:		Phone #			
Address:		Date of Birth:			
		Insurance Name:			
		Address:			
Vin #:					
Year:					
Make:		Phone #			
Model:		Policy #			
Utility Work Order #				Name on Policy:	
<b>Responsible Party:</b>		Resident/Employee/Family Member <input type="checkbox"/>		Non-Resident <input type="checkbox"/>	
Name:		Phone #			
Address:		Date of Birth:			
		Insurance Name:			
		Address:			
Vin #:					
Year:					
Make:		Phone #			
Model:		Policy #			
Utility Work Order #				Name on Policy:	
<b>Responsible Party:</b>		Resident/Employee/Family Member <input type="checkbox"/>		Non-Resident <input type="checkbox"/>	
Name:		Phone #			
Address:		Date of Birth:			
		Insurance Name:			
		Address:			
Vin #:					
Year:					
Make:		Phone #			
Model:		Policy #			
Utility Work Order #				Name on Policy:	



# Napoleon Fire & Rescue

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265 W. Riverview Avenue

P.O. Box 151

Napoleon, Ohio 43515

Phone: (419) 592-0441 Fax: (419) 592-5195

www.napoleonohio.com

## Level of Response Description

### Level 1

- Per response policy all vehicle accidents, an Engine will respond on the scene to assist in any situation that may occur
- Any patient care will be billed per the patient transport
- Minimal involvement of the fire division personnel
- Typically requires 60 minutes of time or less on the scene
- Clearing of road hazards
- Ice/Water Rescues

### Level 2

- Per response policy all vehicle accidents, an Engine will respond on the scene to assist in any situation that may occur
- Any patient care will be billed per the patient transport
- Minimal involvement of the fire division personnel
- Typically requires 60 minutes of time or less on the scene
- Involves cleanup of spills and debris
- Extrication involvement less than 1 hour

### Level 3

- Removing or mitigating hazardous materials
- Requires over 1 hour of on scene time
- Response of multiple apparatus
- Itemized with charges that include vehicles, equipment, materials, personnel and outside companies.



# Napoleon Fire & Rescue

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## Projections

### Level response charges:

- 2012-2017 Average is = 33 E-811 responses
  - If all were only Level 1 = \$16,500
  - Billing company keeps 6% = - \$990
  - +\$15,510

### Inspection Fees

- There is 424 Occupancies in Napoleon
  - If we charged just as it is described in the fire code, project \$63,600
  - I am recommending we charge \$50.00 when a re-inspection must be completed
  - I am recommending we charge \$75.00 when the Assistant Chief must do the inspection
  - Increase by \$50.00 each time the assistant Chief must inspect
- Projecting 50% will need re-inspections = \$10,600
- Projecting that 17% of the inspections will make it to the Assistant chief the revenue projection is \$3,600.00
- Total = \$14,200

### Education Fees

- No projection currently
- Revenue from this should be put in an account to maintain and improve the building

ITEM/PROJECT	EXPLANATION	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>FIRE DEPARTMENT</b>																				
Amount added each year		\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 900,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00
Account 242-2200-57000	<b>PROJECT/EQUIPMENT</b>																			
	COMMAND CAR (Chief 2 / school) 2013								\$55,000											
	COMMAND CAR (Chief 1)		\$60,081																	
	BRUSH 806/ Chase/Flow/razmat (1997)		\$32,226																	
	UTILITY 807 keep skid unit (2000)																			
	ENGINE 803 (Did not replace)																			
	MEDIC 801 (2003) (Remount)							\$120,000												
	MEDIC 802 (2003) (Remount)								\$120,000											
	MEDIC 804 (2015)															\$500,000	\$240,000	\$240,000	\$240,000	\$240,000
	LADDER 808 (2000) (2030)																			
	TENDER 809 (2011)																			
	ENGINE 805 (1996) (LEASE?)											\$250,000	\$100,000	\$100,000	\$100,000	\$100,000				
	ENGINE 811 (2007) (2037)																			
	HOVERCRAFT (1999)		\$60,000																	
	Life-Pak Replacement (Qt. 3) (2028)													\$120,000						
	Turn-Out Gear					\$150,000										\$175,000				
	Misc Hose and Equipment	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
	AIRPACKS (2013)										\$275,000									
	Thermal Imaging Camera (811) (2016)																			
	Thermal Imaging Camera (805) (1992)		\$8,000																	
	Thermal Imaging Camera (806) (2007)							\$10,000												
	Turnout Gear Washer					\$10,000														
	<b>Subtotal:</b>	\$16,000	\$166,306	\$16,000	\$16,000	\$176,000	\$16,000	\$146,000	\$191,000	\$16,000	\$291,000	\$286,000	\$116,000	\$236,000	\$116,000	\$791,000	\$256,000	\$256,000	\$256,000	\$256,000
	<b>Account Balance</b>	<b>\$520,000</b>	<b>\$443,694</b>	<b>\$517,694</b>	<b>\$591,694</b>	<b>\$505,694</b>	<b>\$579,694</b>	<b>\$523,694</b>	<b>\$422,694</b>	<b>\$496,694</b>	<b>\$295,694</b>	<b>\$119,694</b>	<b>\$93,694</b>	<b>-\$52,306</b>	<b>-\$78,306</b>	<b>\$30,694</b>	<b>-\$135,306</b>	<b>-\$301,306</b>	<b>-\$467,306</b>	<b>-\$633,306</b>
<b>FIRE DEPARTMENT</b>																				
400 2200 Account																				
Machinery & Equipment	Strotz Fittings	\$ -10,000.00	\$ -5,000.00	\$ 5,000.00																
	Turnout Gear	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
	Power Load & Cot	\$ -40,000.00																		
Building/Properties & Impro	Kitchen Rehab (in process)	\$ -10,000.00																		
	Cord Reels for Apparatus	\$ -5,000.00																		
	Main Copier		\$ -3,400.00																	
	Computer Station (radio room #2)		\$ -1,000.00				\$ 1,500.00				\$ 1,500.00									
	Computer Station (Chief 1)		\$ -1,000.00				\$ 1,500.00				\$ 1,500.00									
	Computer Station (Chief 2)			\$ 1,500.00				\$ 1,500.00				\$ 1,500.00								
	Computer Station (Prevention #1)			\$ 1,500.00				\$ 1,500.00				\$ 1,500.00								
	Computer Station (Training)				\$ 1,500.00				\$ 1,500.00				\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
	Computer Station (radio room #1)				\$ 1,500.00				\$ 1,500.00				\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
	Gear / Hose Dryer (1975)																			
	Washer Dryer Combo		\$ -1,369.00									\$ 2,000.00								
	SCBA Air Compressor						\$ 25,000.00													
	Training Ground																			
	<b>Subtotal:</b>	<b>\$70,000</b>	<b>\$16,769</b>	<b>\$13,000</b>	<b>\$9,000</b>	<b>\$6,000</b>	<b>\$34,000</b>	<b>\$9,000</b>	<b>\$9,000</b>	<b>\$7,000</b>	<b>\$10,000</b>	<b>\$12,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>

No increase since 2008

ITEM/PROJECT	EXPLANATION	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>FIRE DEPARTMENT</b>																				
Amount added each year			\$ 90,000.00	\$ 95,000.00	\$ 100,000.00	\$ 105,000.00	\$ 110,000.00	\$ 115,000.00	\$ 120,000.00	\$ 125,000.00	\$ 130,000.00	\$ 140,000.00	\$ 150,000.00	\$ 160,000.00	\$ 170,000.00	\$ 200,000.00	\$ 240,000.00	\$ 240,000.00	\$ 240,000.00	\$ 240,000.00
<b>Account 242.2200-5700 PROJECT/EQUIPMENT</b>																				
	COMMAND CAR (Chief 2 / school) 2013								\$55,000											
	COMMAND CAR (Chief 1)		\$60,081																	
	BRUSH 805/ Chase/Plow/Hazmat (1997)		\$40,226																	
	UTILITY 807 keep skid unit (2000)																			
	ENGINE 803 (Did not replace)																			
	MEDIC 801 (2003) (Remount)							\$120,000												
	MEDIC 802 (2003) (Remount)								\$120,000											
	MEDIC 804 (2015)															\$500,000	\$240,000	\$240,000	\$240,000	\$240,000
	LADDER 808 (2000) (2030)																			
	TENDER 809 (2011)																			
	ENGINE 805 (1996) (LEASE?)											\$250,000	\$100,000	\$100,000	\$100,000	\$100,000				
	ENGINE 811 (2007) (2037)																			
	HOVERCRAFT (1999)		\$60,000																	
	Life-Pak Replacement (Qt. 3) (2028)													\$120,000						
	Turn-Out Gear					\$150,000										\$175,000				
	Misc Hose and Equipment	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
	AIRPACKS (2013)										\$275,000									
	Thermal Imaging Camera (811) (2016)																			
	Thermal Imaging Camera (805) (1992)		\$8,000																	
	Thermal Imaging Camera (808) (2007)							\$10,000												
	Turnout Gear Washer					\$10,000														
	<b>Subtotal:</b>	\$16,000	\$166,306	\$16,000	\$16,000	\$176,000	\$16,000	\$146,000	\$191,000	\$16,000	\$291,000	\$266,000	\$116,000	\$236,000	\$116,000	\$791,000	\$256,000	\$256,000	\$256,000	\$256,000
	<b>Account Balance</b>	<b>\$520,000</b>	<b>\$443,694</b>	<b>\$522,694</b>	<b>\$606,694</b>	<b>\$535,694</b>	<b>\$629,694</b>	<b>\$598,694</b>	<b>\$527,694</b>	<b>\$636,694</b>	<b>\$475,694</b>	<b>\$349,694</b>	<b>\$383,694</b>	<b>\$307,694</b>	<b>\$361,694</b>	<b>-\$229,306</b>	<b>-\$245,306</b>	<b>-\$261,306</b>	<b>-\$277,306</b>	<b>-\$293,306</b>
<b>FIRE DEPARTMENT</b>																				
<b>400 2200 Account</b>																				
<b>Machinery &amp; Equipment</b>																				
	Strotz Fittings	\$ -10,000.00	\$ -5,000.00	\$ 5,000.00																
	Turnout Gear	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
	Power Load & Cot	\$ -40,000.00																		
	Kitchen Rehab (In process)	\$ -10,000.00																		
	Cord Reels for Apparatus	\$ -5,000.00																		
	Main Copier		\$ -3,400.00																	
	Computer Station (radio room #2)		\$ -1,000.00				\$ 1,500.00				\$ 1,500.00									
	Computer Station (Chief 1)		\$ -1,000.00				\$ 1,500.00				\$ 1,500.00									
	Computer Station (Chief 2)			\$ 1,500.00				\$ 1,500.00				\$ 1,500.00								
	Computer Station (Prevention #1)			\$ 1,500.00				\$ 1,500.00				\$ 1,500.00								
	Computer Station (Training)				\$ 1,500.00				\$ 1,500.00				\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
	Computer Station (radio room #1)				\$ 1,500.00				\$ 1,500.00				\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
	Gear / Hose Dryer (1975)																			
	Washer Dryer Combo		\$ -1,369.00									\$ 2,000.00								
	SCBA Air Compressor						\$ 25,000.00													
	Training Ground																			
	<b>Subtotal:</b>	<b>\$70,000</b>	<b>\$16,769</b>	<b>\$13,000</b>	<b>\$9,000</b>	<b>\$6,000</b>	<b>\$34,000</b>	<b>\$9,000</b>	<b>\$9,000</b>	<b>\$7,000</b>	<b>\$10,000</b>	<b>\$12,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>

*With increase*

**1501.01 ADOPTION.**

There is hereby adopted by the Municipality, the 2007 Ohio Fire Code (OFC) as adopted by the Ohio Division of State Fire Marshal, Department of Commerce, effective July 1, 2007, and as published in Division 1301:7 of the Ohio Administrative Code (OAC).



# City of Napoleon, Ohio

## Department of Public Works

255 West Riverview Avenue, P.O. Box 151

Napoleon, OH 43545

Chad E. Lulfs, P.E., P.S., Director of Public Works

Telephone: (419) 592-4010 Fax: (419) 599-8393

[www.napoleonohio.com](http://www.napoleonohio.com)

## Memorandum

**To:** Joel L. Mazur, City Manager  
**From:** Chad E. Lulfs, P.E., P.S., Director of Public Works  
**cc:** Mayor & City Council  
Greg Heath, City Finance Director  
Jeff Rathge, Operations Superintendent  
**Date:** August 29, 2017  
**Subject:** Ohio Street Watermain Replacement & Associated Improvements – Approval of Plans & Specifications

The City of Napoleon's Department of Public Works requests approval of the plans, bid documents, and specifications for the above referenced project. This project consists of: replacing the water main and services on Ohio Street from Glenwood Avenue to Stevenson Street; replacing all deteriorated concrete curbing; replacement of all water main and services on Stevenson Street from Ohio Street south to the bridge as an Alternate Bid if the budget allows.

Engineer's Estimate of Construction: \$630,000.00.

Budgeted amount for Construction: \$650,000.00.

CEL

Donation-Fire  
Delbert Prigge

CASH 853.00 +  
853.00 \*

CKs

20.00 +  
35.00 +  
25.00 +  
25.00 +  
25.00 +  
20.00 +  
20.00 +  
170.00 \*

TL

853.00 +  
170.00 +  
1,023.00 \*

Delbert Prigge

Fire  
Donation

Evelyn - wife brought in  
from memorial

18423 Rd m 1  
Napoleon Oh  
43545

Napoleon Fire & Rescue  
Memorial from  
Delbert Prigge



# City of Napoleon, Ohio

## Department of Public Works

255 West Riverview Avenue, P.O. Box 151  
Napoleon, OH 43545  
Chad E. Luffs, P.E., P.S., Director of Public Works  
Telephone: (419) 592-4010 Fax: (419) 599-8393  
www.napoleonohio.com

# Memorandum

**To:** Joel L. Mazur, City Manager  
**From:** Chad E. Luffs, P.E., P.S., Director of Public Works  
**cc:** Mayor & City Council  
**Date:** August 29, 2017  
**Subject:** Water Treatment Plant Improvements –  
Supplemental Construction Funding

The City of Napoleon's Engineering Department pursued and received funding from the O.W.D.A. for the construction of the WTP Improvements project. In the original application for funding, the application listed \$17.0M for construction, including contingencies. We recently discovered that O.W.D.A. requires the contingency to be listed separately.

Because our contingency was not listed separately, when the contract was awarded to Peterson Construction, there were no available funds set aside for potential change orders. I contacted the O.W.D.A. and was instructed to apply for supplemental funding to cover potential change orders. Traditionally, rehabilitation projects have a total change order amount between 10% and 12%. When I spoke with the O.W.D.A., I was encouraged to estimate on the high side so as to avoid applying for supplemental funding a second time. Therefore, we are applying for approximately 15% or \$2.0MM.

Please note that with the original construction contract and this supplemental funding, the potential total cost for construction could be \$15.3MM. This does not include the costs the City has incurred for planning and design. With the planning and design costs included, we should still be below the original numbers used to calculate the water rate increases. Below is an approximated summary of costs incurred:

<u>Description</u>	<u>Approximated Cost</u>	<u>Funding Source</u>
Jones & Henry – Planning	\$0.9 MM	Market (T.B.D.)
AECOM – Design	\$1.1 MM	OWDA (0%)
UV Project – Construction	\$1.4 MM	Market (T.B.D.)
WTP Project – Construction	\$13.3 MM*	O.W.D.A. (0%)
WTP Project – Contingency	<u>\$2.0 MM**</u>	O.W.D.A. (0%)
Total Approximated Cost: \$18.7 MM		

\*Total Engineer's Estimate for Construction = \$17.0 MM. Total construction cost currently estimated to be \$15.3 MM (\$13.3 MM + \$2.0 MM).

\*\*Contingency funds to be utilized for changes during construction. The City will only be obligated to pay back portion that is used.

The Engineering Department intends to submit the application for the supplemental funding sometime next week to allow us to process pending change orders.

CEL



## City of Napoleon, Ohio

255 West Riverview Avenue • P. O. Box 151  
Napoleon, Ohio 43545-0151  
Phone (419) 599-1235 Fax (419)-599-8393  
www.napoleonohio.com

# MEMORANDUM

**TO:** Technology and Communications Committee, City Council, Mayor, City Manager, City Law Director, City Finance Director, Department Supervisors, Newsmedia

**FROM:** Gregory J. Heath, Finance Director/Clerk of Council *G.J.H.*

**DATE:** August 31, 2017

**RE:** Technology and Communications Committee Meeting Cancellation

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The Technology and Communications Committee meeting scheduled for Tuesday, September 5, 2017 at 6:15 pm has been CANCELED due to lack of agenda items.

# City of NAPOLEON, Ohio

## Operations Department

1775 Industrial Dr., P.O. Box 151, Napoleon, OH 43545

Phone: 419/599-1891 Fax: 419/592-4379



Operations Superintendent  
Jeffrey H. Rathge

Water Distribution Foreman  
Brian Okuley

Streets/Sewer Foreman  
Roger Eis

Refuse Foreman  
Perry Hunter

Head Mechanic  
Tony Kuhlman

## ***PRESS RELEASE***

### **LABOR DAY REFUSE & RECYCLING ROUTES**

Napoleon, Ohio, -- Due to the upcoming Labor Day holiday, the refuse and recycling pickup routes for the City of Napoleon will be as follows **for the week of September 4 – 8, 2017 ONLY:**

- **Monday, Sept 4 - HOLIDAY - NO PICK UP**
- **Tuesday, Sept 5 - Monday's Route**
- **Wednesday, Sept 6 - Tuesday's Route**
- **Thursday, Sept 7 - as usual; Wednesday's route will also be run on Thursday (there is a possibility of later than usual pick up time for Thursday's route).**
- **Friday, Sept 8 - as usual**

Wednesday's and Thursday's routes will both be run on Thursday, September 7. The Operations Department is asking that for those affected, an extra effort be made to have their refuse and recycling at the curb by 7:00 a.m. on the 7<sup>th</sup>.

Please contact the Operations Department at 419/599-1891 if there are any questions regarding this matter.





# Update

A weekly newsletter presented by AMP President/CEO Marc Gerken

August 25, 2017



## Lineworkers to compete this weekend in AMP Rodeo

*By Michelle Palmer, PE - vice president of technical services*

The fourth annual AMP Lineworkers Rodeo kicked off today at AMP headquarters with two training sessions and a written test. A total of 17 lineworker apprentices from member communities in Ohio and Mich. took the timed, 20-minute test with questions based on the 16th edition of the APPA Safety Manual (pictured above).

The majority of Rodeo events will take place tomorrow, Aug. 26, when lineworkers will get the opportunity to show off their unique skills and compete for recognition in three levels of competition: apprentice, individual journeyman and team. The apprentice group consists of competitors from Cleveland, Coldwater, Cuyahoga Falls, Jackson Center, Tipp City, Wadsworth and Westerville. Competing in the individual journeyman group are lineworkers from Cleveland, Cuyahoga Falls, Jackson Center and Piqua, and teams will be represented by Bryan, Tipp City and Westerville.

The Rodeo is a fun, family-friendly event, and a great way to see and better understand the contributions lineworkers regularly make to our communities. AMP is excited to host the Lineworkers Rodeo this weekend and wishes all the competitors good luck.

## Solar eclipse impacts AMP member utilities

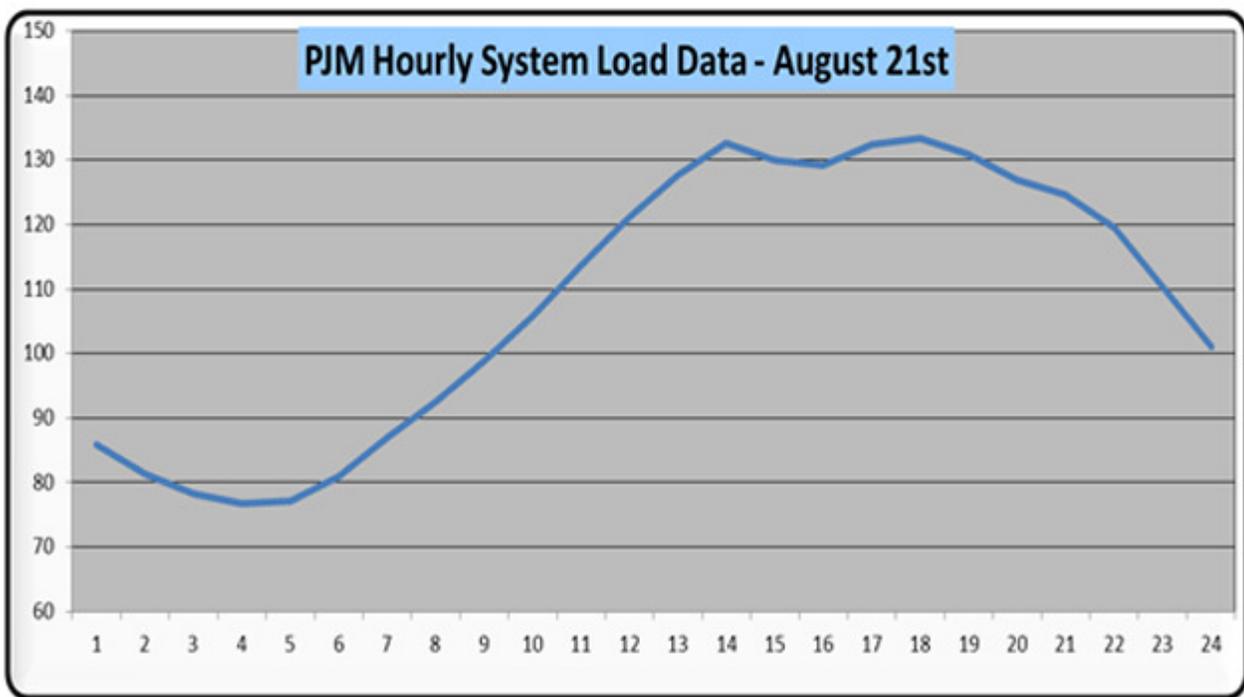
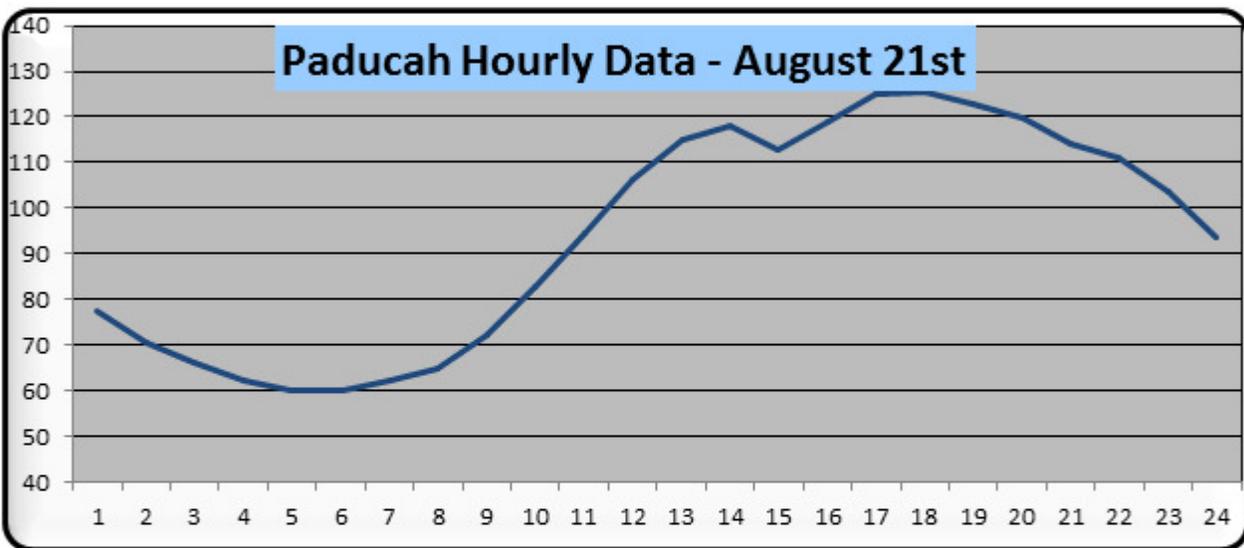
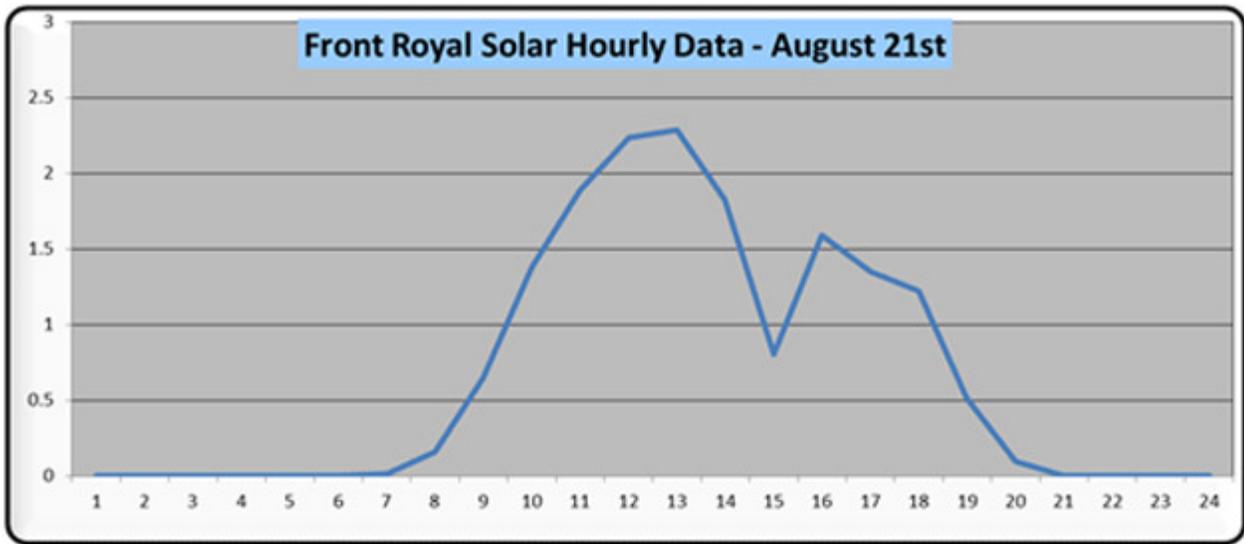
*By Jerry Willman - assistant vice president of energy marketing*

The solar eclipse on Aug. 21 marked the first coast-to-coast eclipse to occur in the States in nearly a century. But unlike the one in 1918, this week's eclipse had an impact on electric utilities due to the increasing number of solar power plants.

AMP Solar Phase II sites, such as Front Royal, felt the effects of the eclipse - as shown in the data graph below. Front Royal saw a solar generation reduction of almost 70% during the peak of the eclipse. Most members loads were impacted during the eclipse, some more obvious than others, but two AMP members in the eclipse's path of totality, Paducah (middle graph) and Princeton, had a more noticeable reduction in load during the celestial event.

PJM had forecasted that loads would level out during the eclipse but the actual load curve for the day had a "u" shaped indent during that time (bottom graph). PJM Real-time LMP's dropped into the mid \$20s during the eclipse, but pre- and post-eclipse, the prices were in the \$40s or \$50s.

During the obscured hours, electric demand decreased as temperatures dropped resulting in reduced air-conditioning usage. Human behavior patterns also changed during the eclipse as employees took time off to view the eclipse or took off work for the remainder of the day.



## Peak shaving season appears to have come to an end

By Mike Migliore - vice president of power supply and marketing

Loads on Mon. and Tues., Aug. 21 and 22, threatened to set new CPs for the summer, but the solar eclipse and thunderstorms reduced consumption before loads could reach their peaks. With fall-like temperatures in the 15 day forecast, we may have seen the last of high loads for the summer.

Due to the lack of any real hot days in 2017, PJM and all of the zones saw peaks that were lower than 2016. PJM's peak of 145,636 MW was 4% below last year's peak. The low summer peaks mean that APS, PP&L and Penelec were unable to exceed their winter peak that was set in Dec. 2016. The 1CP measurement period runs from November through October.

For the summer, 13 days (approximately 50 hours) of peak shaving and load curtailments were called for by AMP to allow members to successfully reduce their cost of transmission and installed capacity for 2018.

The current 5CPs and 1CPs as of Aug. 25 are shown below.

PJM Peaks				Zonal 1CPs			
CP	Load	Date	HE EDT	ZONE	Load	Date	HE EDT
1	145,638	7/19/2017	18	FE	12,061	7/19/2017	17
2	145,331	7/20/2017	17	AEP	21,678	7/19/2017	17
3	141,871	7/21/2017	17	DAY	3,204	8/16/2017	18
4	140,953	6/12/2017	18	DUKE	4,996	7/18/2017	18
5	138,617	6/13/2017	17	DELMARV	3,813	7/13/2017	14
				APS	8,755	12/15/2016	20
				PENELEC	2,890	12/15/2016	19
				PPL	7,401	12/15/2016	19

## AMP taking action to protect pseudo tie

By Lisa McAlister - senior vice president and general counsel for regulatory affairs

PJM Capacity Performance (CP) rules require all capacity resources physically located outside of PJM to "pseudo-tie" into PJM to qualify as PJM capacity resources. Thus, in order to utilize Prairie State for its intended purpose - namely, providing long-term power supply service to participants in an economical and reliable manner (and not to take advantage of more advantageous market conditions in one RTO or the other), AMP is required to use a pseudo-tie arrangement to offer AMP's Prairie State share into PJM's capacity auctions. Similarly, AMP would be obligated to use pseudo-ties to use Smithland and Cannelton to serve load in PJM. However, the pseudo-ties are currently under attack from competitive generators and other RTOs, among others. As a result, AMP has been taking action to protect our important pseudo-tie arrangements.

In Jan. 2017, AMP filed a complaint at FERC to contest PJM's and MISO's duplicative charges for congestion. The RTOs requested that the complaint, along with several other similar complaints, be held

in abeyance and have been providing periodic status updates as they work to address the complaints. AMP has been regularly protesting the delay, noting that PJM and MISO meanwhile are continuing to collect duplicate congestion charges. On Aug. 9, AMP requested that PJM and MISO place the admittedly duplicative charges into escrow as they continue to delay resolution of the matter.

Additionally, over the past year, MISO and PJM have also been separately developing pro forma pseudo-tie agreements that external resources would be required to sign should they wish to serve load in an RTO through a pseudo-tie. AMP has also been weighing in on these pro forma agreements through formal comments and in the stakeholder processes (PJM's, MISO's and the joint process) with suggested changes.

Most recently, PJM and MISO have proposed changes to their Joint Operating Agreement (JOA) to define rules and operational responsibilities between the two RTOs of pseudo-tied generation resources. This week, AMP filed a protest at FERC to these revisions to the JOA. The PJM and MISO filings on this issue appear to be attempts to erect barriers to the use of pseudo-ties and none of their filings to date have actually addressed the duplicative congestion charges being assessed on pseudo-tied resources. The JOA revisions are no exception to this pattern. In its protest, AMP highlighted the still-unresolved congestion overlap charges and suggested changes to their revisions to the JOA.

It is important to note that the Independent Market Monitor for MISO has also filed a complaint against PJM arguing that its pseudo-tie requirements are unjust and unreasonable, unduly discriminatory and should not be imposed on external resources to PJM. The Independent Market Monitor for PJM, however, has argued that PJM's requirements on pseudo-tied resources are too lax, because pseudo-tied resources are inferior to native generation, and that PJM should impose even higher burdens to external resources wishing to participate in PJM markets. FirstEnergy has also filed comments in support of more stringent requirements on pseudo-tied resources into PJM citing reliability concerns and that MISO could call upon pseudo-tied resources in its footprint to perform during an emergency.

AMP will continue to defend its use of pseudo-tied resources to serve its load in PJM through the RTO stakeholder processes and at FERC. AMP filings can be found on the AMP website's [Member Extranet](#) on the AMP Regulatory page. Please contact me at [imcalister@amppartners.org](mailto:imcalister@amppartners.org) or Kristin Rothey at [krothey@amppartners.org](mailto:krothey@amppartners.org) if you have questions regarding this matter.

## **AMP promotes Grodecki to vice president**

*By Marcy Steckman - senior vice president of finance & chief financial officer*

AMP is pleased to announce that Paul Grodecki has been promoted to vice president of business services and member credit compliance and will join the finance team. He will be responsible for the management and oversight of the credit programs for member communities, fostering positive, open and timely two-way communications with community representatives, third party consultants, engineering firms, legal, tax and bond counsel, as well as assisting with other business related matters such as AMPO, Inc.



Paul Grodecki

Grodecki joined AMP in the risk department in 2016 as director of internal audit and was promoted to assistant vice president of business operations later that year. Prior to AMP, Grodecki held several leadership positions within a professional consulting firm, including director of legal and government contracts and chief operating officer. He was a member of the firm's board of directors and chaired both the finance and audit, and leadership development & succession planning committees.

Paul's background, knowledge and expertise will be an asset to the AMP organization and to our members.

Grodecki is a registered professional engineer and attorney, holding civil engineering and law degrees from Cleveland State University, with experience in construction, real estate development and architectural/engineering/geospatial consulting.

Please join us in congratulating Paul on his new role.

## Energy markets update

By Jerry Willman

The September 2017 NYMEX natural gas contract increased \$0.021/MMBtu to settle at \$2.949 yesterday. The EIA reported an injection of 43 Bcf for the week ending Aug. 18. Analyst expectations were calling for an injection of 47 Bcf.

Hurricane Harvey is expected to make landfall late tonight or early Sat. morning and the near-term implications of this storm on the U.S. natural gas market are uncertain. Due to significant growth of onland shale production, the impact that hurricanes have had in the past on the Gulf Coast supply and demand balance is expected to be limited.

On-peak power prices for 2018 at AD Hub closed yesterday at \$35.79/MWh which was \$.10/MWh higher for the week.

On Peak (16 hour) prices into AEP/Dayton hub				
Week ending Aug. 25				
MON	TUE	WED	THU	FRI
\$42.95	\$36.61	\$28.84	\$26.71	\$26.75
Week ending Aug. 18				
MON	TUE	WED	THU	FRI
\$30.20	\$36.67	\$36.60	\$34.33	\$35.53
AEP/Dayton 2018 5x16 price as of Aug. 24 — \$35.79				
AEP/Dayton 2018 5x16 price as of Aug. 17 — \$35.69				

## AFEC weekly update

By Jerry Willman

The Fremont plant remained in 2x1 configuration for the week. With the warmer temperatures and corresponding higher prices last weekend, the plant was on-line all day Saturday and Sunday and stayed on-line through Tuesday. Due to economics the plant was off-line Wednesday but was dispatched back on-line for Thursday. Duct firing operated for 56 hours this week. The plant generated at a 59% capacity factor (based on 675 MW rating).

## AMP welcomes new employees

Four new employees started at AMP this week, and one staffer moved to a new position in the organization.

John McGreevy, senior director of environmental affairs, brings more than 17 years of experience in the environmental field, primarily focused on the Clean Air Act permitting and compliance. Prior to AMP, McGreevy was a principal at Civil and Environmental Consultants and also worked for the Ohio EPA. He holds a bachelor's degree in zoology from Ohio University.

Dwayne Newman, senior system administrator (SCCM & infrastructure), has worked for AMP for four years as an Everest Technologies consultant serving in an IT project manager role. Newman has also served as the IT director, wireless

administrator and system administrator for DeVry University. He holds a master's degree in information systems management and a bachelor's degree in technical management - both from DeVry, as well as numerous network and administration certifications.

Jacob Stach, systems analyst (field & hydro), brings 10 years of experience in commercial and residential computer networking and wiring installations. He previously worked as a communications technical 4/lineman for Comcast in Tennessee and served in the U.S. Navy as aviation ordnanceman/security. Stach holds bachelor's and associate's degrees in information technology from the University of Phoenix.

Charles Wilson, help desk specialist, came to AMP from the Central Ohio Transit Authority (COTA) where he served as an I.T.S. technician. Wilson holds an associate's degree in electronics and computer technology from DeVry University and has certifications in networking and operating systems. He is on schedule to complete certifications in IT systems administration from My Computer Career in October.

Steve Nusser, senior systems administrator (cyber), previously held the senior systems administrator position at AMP. Prior to coming to AMP four years ago as system administrator, Nusser worked for the IT Department at OhioHealth Group. He holds a bachelor's degree in network and communications management from DeVry University.

Please join us in welcoming John, Dwayne, Jacob and Charles and congratulating Steve.



John McGreevy



Dwayne Newman



Jacob Stach



Charles Wilson



Steve Nusser

## Three member communities mourn losses this month

Timothy Tarulli, safety and human resources director for the City of Dover, passed away on Aug. 5. Tarulli, 55, served his community throughout his life as a member of Dover City Council for over 20 years, including six as City Council president, and as a dedicated Big Brother with Big Brothers Big Sisters of Tuscarawas County. He was also owner and president of Tarulli Video Productions and shot video for AMP, OMEA and the AMP Lineworkers Rodeo.

Also on Aug. 5, longtime Jackson Electric Superintendent Larry Fisher passed away. Fisher, 65, worked for the City of Jackson for more than 20 years, from 1996 until his passing. He served as electric

superintendent since 2004.

Joe Simon, retired village administrator for the Village of Bloomdale, passed away on Aug. 12. Simon, 64, retired from the village in 2014. He worked in the administration and maintenance of Bloomdale Municipal Utilities. Simon had also worked at Ohio Farmers as a welder and fabricator and at Precision Carbide as a machinist.

AMP offers our sincere condolences to the families of Tim, Larry and Joe, as well as the communities of Dover, Jackson and Bloomdale.

## Classifieds

### Arcadia seeks Village Administrator

The Village of Arcadia is seeking qualified, professional candidates for the position of Village Administrator. Arcadia village is located in Hancock County. The Village Administrator is the chief administrative officer for the Village and is responsible for: managing all public utilities, supervising the maintenance of all public places, streets, and sidewalks in the Village, working under the direction of and implementing the decisions of the Mayor and Council, overseeing the procurement of materials and services, addressing the concerns of residents, supervising employees and administering employee policies, supervising the operations of the Village's services, and other related duties as are provided by law or as may be assigned.

Candidates must have a high school diploma and the salary range for this position is dependent upon education and experience. Employee benefits are not available for this position.

Qualified candidates must have a valid Ohio driver's license, must be insurable and bondable, and must pass a drug screen and criminal background check. Interested candidates should submit a cover letter, resume and professional references to Mayor Matt Tesnow, Village of Arcadia, P.O. Box 235, 104 South Gibson Street, Arcadia, Ohio 44804 or email [arcdiamayor@tds.net](mailto:arcdiamayor@tds.net) by close of business on Sept. 15.

We provide equal employment opportunity for everyone, regardless of race, color, national origin, religion, gender, sexual orientation, age, marital status, pregnancy, disability or veteran status.

### Water treatment plant operator needed in Bowling Green

The City of Bowling Green's Water Supply Division is seeking a water treatment plant operator with an OEPA Class III Treatment Certification (Class III Certification required at time of application.)

This position is responsible for the safe, efficient and compliant operation and maintenance of the City's Water Treatment Plant. Performs laboratory analyses; oversees plant operations; collects and tests water samples; inspects plant and equipment, and makes adjustments; ensures proper levels of clear-well and water towers; records chemical feed amounts, meter readings, plant flow; maintains records; cleans and paints; trains employees; performs preventive maintenance - both electrical and mechanical; handles hazardous and toxic chemicals; operates lime application equipment; conducts tours; and performs other related duties as assigned. High school diploma or equivalent; valid Ohio Class III Water Treatment Certification required at time of application; Chemical Analysis Certification required; three to five years of relevant experience required. A copy of the job description will be provided to applicants. Interested persons must complete an application that is available in the Personnel Department, 304 North Church Street, Bowling Green, OH 43402. The City's employment application is located online at <http://www.bgohio.org/departments/personnel-department/employment-opportunities>. Resumes may be included, but will not substitute for a completed application. Telephone: (419)354-6200 Email: [BGPersonnel@bgohio.org](mailto:BGPersonnel@bgohio.org) Office hours: 8 a.m. - 4:30 p.m. (M-F)

Application deadline is Sept. 5 at 4:30 p.m. AA/EEO

Pay Grade 6 - BGEO Contract (\$21.42 - \$27.35 per hour)

## Galion looking for electrical distribution superintendent

Galion Municipal Electric Division is seeking an individual to direct the operation of the municipal electric distribution system. Essential duties include planning and supervising the construction, operation and maintenance of the electric distribution system, staff management/direction and budget oversight. Minimum requirements include five years of experience operating a municipal electric system, completion of two years of college-level coursework in engineering or business or equivalent, and supervisory experience. Valid Ohio commercial driver license required. Salary range: \$40,000-\$85,000/year with excellent benefits. Galion (pop. 10,512) is located in North Central Ohio and offers a small-town setting and affordable housing. Full job description is available on [www.galion.city](http://www.galion.city). Submit cover letter and resume by Sept. 22 to Mayor Thomas M. O'Leary, 301 Harding Way E., Galion, OH 44833 or by email to [nicoleward@galion.city](mailto:nicoleward@galion.city). EOE

## Opportunities available at AMP

American Municipal Power, Inc. (AMP) is seeking applicants for the following positions. For complete job descriptions, please visit the "careers" section of the AMP [website](#).

[Smithland Hydro Plant Operations and Maintenance Supervisor](#)

[System Administrator \(Infrastructure\) or Senior System Administrator \(Infrastructure\)](#)

American Municipal Power, Inc.

STAY CONNECTED



[www.amppartners.org](http://www.amppartners.org)