

Administrative Services Committee
January 7, 2019
Minutes

Ed Brady called the meeting to order at 4:30pm

Committee Members Present: Ed Brady, Kim Chamberland, Lisa Evans
Staff: Michael Doss, City Manager, Lori Pegg, Community Services Manager; Pat Wirthlin, Finance Director; Joe Casteel, Water Department Supervisor
Visitors:

Appropriations Amendment to Ordinance No. 18-1413

Ms. Wirthlin presented an increase in appropriations in the amount of \$516,122.49 for 2019 as previously budgeted. This is simply a housekeeping item to re-appropriate unpaid bills from 2018. The net effect on the total budget is \$0. The amendment shifts appropriations from 2018 into 2019.

Council previously approved most all of these expenditures last year by way of ordinance. At year end the purchase orders closed to make way for a clean slate starting in 2019. As such, all "unpaid bills" from 2018 need a re-appropriation.

The most notable outstanding bills are from SSI, for the finance department software upgrade and outstanding work on the Public Works Facility which has not been invoiced as of yet. Ms. Wirthlin also pointed out on the attached statement of cash that we closed all of the 2018 PO's, so we can start fresh in 2019.

Mr. Brady made the following motion, Ms. Evans seconded and all agreed.

The Committee agreed to make a motion authorizing the Law Director to prepare an ordinance authorizing 2019 appropriation amendments of \$516,122.49 as detailed on the attached chart.

Fraunfelter Accounting Services Contract

Sean Fraunfelter has been preparing the City and JEDD finance statements for 11 years. Mr. Fraunfelter converts cash basis to Generally Accepted Accounting Principles (GAAP), which includes accruals, fixed assets, footnotes and supplemental disclosures for pension, TIF and other tax abatements. He has never raised his fee and normally comes in under budget.

The fiscal years 2018 and 2019 contract fees remain the same for City financial statements, and increases for JED and CIC preparation due to increasing activity in those funds. Mr. Fraunfelter works solely in government account and reporting, and he is very familiar with the constant

changes in public finance and the City's reporting needs. We are on a two-year audit cycle, so it makes sense to enter into a two-year contract with him. Ms. Wirthlin noted that this is behind the scope of what a Finance Director would normally do and Sean has the expertise to complete the financial statements.

Mr. Brady made the following motion, which was seconded by Ms. Evans and all agreed.

The committee agreed to make a motion authorizing the Law Director to prepare an ordinance authorizing a contract with Fraunfelter Accounting Services to prepare the 2018 and 2019 basic financial statements for the City of Milford, Joint Economic Development District (JEDD) and Community Improvement Corporation (CIC) at an annual cost of \$9000 for the City, \$1200 for the JEDD's and \$600 for the CIC.

Water Meter Purchase and Reimbursement

Mr. Casteel presented an invoice from Neptune Equipment Company in the amount of \$11,324 for special order water meters for a construction development project. The contractor purchased the meters and made a payment in the amount of \$12,995.84 before Joe ordered the meters.

Mr. Brady made the following motion, Ms. Evans seconded the motion and all agreed.

The committee agreed to make a motion authorizing the Law Director to create an ordinance authorizing payment in the amount of \$11,324 to Neptune Equipment Company for water meters.

Economic Development Incentives for Light-Industrial Manufacturing Company

Mr. Doss presented two Incentive Program Agreements with PIVOTec, Inc, the new light manufacturing company that has purchased the property at 910 Lila Avenue. The Milford Incentive Program that deals with tax withholding and has been used in other developments the past. It grants a certain % of the withholding to be credited annually. PIVOTek is one of five businesses in the world that manufacture this type of product which includes premade bathroom fixtures for hotels, dorms etc. This is about a \$4million investment and will include approximately 40-50 jobs.

The Milford Incentive Program Agreement calls for 50% of their withholding to be credited back to them for up to 5 years with a minimum total payroll of at least 1,000,000. The Second part of the incentive is the Milford Property Tax Rebate Incentive Program which is 5 years, 100% rebate of Milford only real estate taxes. The schools and the county will continue to receive

their property tax portion in full. Mr. Doss noted that with both incentives, Pivotek must continue to operate in the City of Milford for the period the incentives are active. Furthermore, if Pivotek is unable to fulfill the requirements of both incentive agreements there are pro-rated penalties which provide for specific reimbursements for any taxes credited during the duration of the agreements.

Ms. Chamberland asked what the City was getting from the property tax currently, Mr. Doss noted that the city was getting \$16,700 in property tax annually for that location. She also asked if these two investments typically go together. Mr. Doss noted that they don't always go together, but these are incentives that really have helped the City to be competitive in the bidding process against another municipality in the Greater Cincinnati area. A combination of these incentives have worked in the past to attract Wyler, Tri-Pack, Little Miami Brewing Company and expansion of The Main Cup.

Mr. Brady made the following motion, which was seconded by Ms. Evans and all agreed.

The Committee agreed to make a motion authorizing the Law Director to create an ordinance authorizing the City Manager to enter into the Milford Incentive Program Agreement and the Milford Property Tax Rebate Agreement with PIVOTek, Inc.

Additional Business appropriate to come before the committee

There was no additional business

Mr. Brady made a motion to adjourn that was seconded by Ms. Evans and three voted yes.

The meeting was adjourned at 4:58pm

Respectfully Submitted, Lori Pegg

PUBLIC NOTICE

AGENDA

ADMINISTRATIVE SERVICES COMMITTEE MEETING

Chair: Ed Brady

Committee Members: Lisa Evans and Kim Chamberland

Monday, January 7, 2019 at 4:30 p.m.

Council Chambers, 745 Center Street, Milford, Ohio 45150

- Appropriations Amendment to Ordinance No. 18-1413
- CPA Compilation Contract
- Water Meter Purchase and Reimbursement
- Economic Development Incentives for Light-Industrial Manufacturing Company
- And all additional matters that may properly come before the committee



CITY OF MILFORD

745 Center Street, Suite 200, Milford, OH 45150
Phone: 513-831-4192
Fax: 513-248-5096
www.milfordohio.org



To: Honorable Chair Ed Brady and Members Lisa Evans and Kim Chamberland
Administrative Services Committee

From: Pat Wirthlin, Finance Director (P.W.)

Date: January 4, 2018

Subject: 2019 Appropriation Amendment for Re-Appropriations \$843,161.49

Staff Suggestion for Committee Motion

MOTION AUTHORIZING THE LAW DIRECTOR TO PREPARE AN ORDINANCE AUTHORIZING 2019 APPROPRIATION AMENDMENTS OF ~~\$843,161.49~~ AS DETAILED ON THE ATTACHED CHART

516,122.49

Unpaid Bills ~\$843K

516,122.49

The appropriation amendment calls for an ~~\$843,161.49~~ increase in 2019 appropriations as previously budgeted. This is simply a housekeeping item to re-appropriate "unpaid bills" from 2018. Council previously approved most all of these expenditures last year by way of ordinance. At year end, the purchase orders closed to make way for a clean slate starting in 2019. As such, all "unpaid bills" from 2018 need a re-appropriation.

Net Effect \$0

The net effect on total budget expenditures is zero. The amendment shifts appropriations from 2018 into 2019.

Public Works ~\$753K

The bulk of the re-appropriations pertain to Public Works construction and street projects totaling ~~\$758,323.29~~ 279,414.66.

Please see Appropriation Amendment Chart Attached.

2019 APPROPRIATION AMENDMENT

Amending Ordinance # 18-1413

Department	Description	Amount	Ordinance #	Account #
Public Works				
Elex	Mill and Water Intersection-Part 2	\$ 125,188.15	18-1332	415-6000-2558
	Mill and Water CO#1-Paint existing traffic pole	\$ 3,780.00		415-6000-2558
	Total Elex	\$ 128,968.15		
DER Construction	Construction-Public Works Facility	\$ 211,036.65	17-1299	415-6100-2521
	Change Order #5- Wall, CO#6-Asphalt, CO#7-Bay Rd	\$ 26,629.23	18-1387	415-6100-2521
	Garfield Storm Sewer	\$ 21,161.70	18-1354	501-5300-2566
	Change Order #2-Façade	\$ 10,530.30	17-1315	415-6100-2521
	Change Order #14-Monitor and Exhaust Fan	\$ 5,848.20	18-1414	501-5300-2530 \$1462.05 517-5100-2520 \$1462.05 210-6000-2530 \$1462.05 516-5000-2530 \$1462.05
	Change Order #1- Fire Alarm	\$ 2,319.20	17-1310	415-6100-2521
	Change Order #4-CDF filled trenches (reduced)	\$ 967.70	18-1334	415-6100-2521
	Change Order #3-Removal of Bad Dirt	\$ 529.24		415-6100-2521
	Change Order #9-MEP, CO#10-Sewer, CO#11-fence	\$ 392.44	18-1400	415-6100-2521
	Total DER Construction	\$ 279,414.66		
Neptune Equipment	FC Cincinnati 4" meters x 2	\$ 11,324.00	Joe Presents Today	502-5000-2520
ADT / Protection 1	ADT - Security Cameras	\$ 5,000.00		415-6100-2521
Tencon	Tier 2 response	\$ 4,250.00	18-1358	101-7000-2341
Dodd's Bench Memorial	Dodd's Bench Memorial-Jonas Memorial	\$ 900.00		204-3000-2575
Roberts Engineering	US 50 Urban Paving Design	\$ 800.00	18-1386	210-6000-2340 \$400 501-5300-2340 \$400
MSP - McGill Smith Punshon	Construction-Public Works Facility-Reimbursable	\$ 627.48		415-6100-2521
	Total Public Works	\$ 431,284.29		
Finance				
Software Solutions (SSI)	VIP Upgrade	\$ 81,990.00	17-1258	415-7100-2520 \$40995 101-5200-2498 \$13119 501-5300-2498 13938 517-5100-2498 13938
Manager				
Physio-Control	AED Service Plan 2018-2022	\$ 2,257.20		101-7510-2360
Planning				
Kleingers	Downtown Design Guidelines	\$ 591.00	18-1343	101-7510-2360
TOTAL RE-APPROPRIATIONS TO 2019		\$ 516,122.49		

Milford

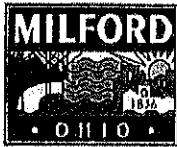
Statement of Cash from Revenue and Expense

From: 1/1/2018 to 12/31/2018
 Funds: 101 to 731

Include Inactive Accounts: No

Fund	Description	Beginning Balance	Net Revenue YTD	Net Expense YTD	Unexpended Balance	Encumbrance YTD	Ending Balance	Message
101	GENERAL FUND	\$2,290,398.56	\$7,126,177.67	\$5,903,724.01	\$3,512,852.22	\$0.00	\$3,512,852.22	
203	DRUG ENFORCEMENT FUND	\$26,223.03	\$7,035.35	\$329.75	\$34,928.63	\$0.00	\$34,928.63	
204	PARK AND RECREATION FUND	\$87,731.15	\$180,922.79	\$216,018.03	\$52,635.91	\$0.00	\$52,635.91	
205	MAYOR'S COURT COMPUTER FUND	\$134,891.22	\$18,435.22	\$77,637.83	\$75,688.61	\$0.00	\$75,688.61	
206	ENFORCEMENT & EDUCATION FUND	\$11,382.51	\$403.00	\$0.00	\$11,785.51	\$0.00	\$11,785.51	
207	CEMETERY FUND	\$11,417.55	\$126,497.47	\$135,715.90	\$2,199.12	\$0.00	\$2,199.12	
210	STREET CONSTRUCTION M & R FUND	\$14,006.46	\$1,049,460.08	\$1,030,519.00	\$32,947.54	\$0.00	\$32,947.54	
211	STATE HIGHWAY IMPROVEMENT FUND	\$3,777.18	\$21,974.25	\$21,441.45	\$4,309.98	\$0.00	\$4,309.98	
212	PERMISSIVE TAX FUND	\$79,263.56	\$83,375.27	\$150,135.64	\$12,503.19	\$0.00	\$12,503.19	
215	FIRE/EMS LEVY FUND	\$116,771.32	\$1,941,991.73	\$1,817,979.49	\$242,783.56	\$0.00	\$242,783.56	
225	CEMETERY CLOSURE MAINT FUND	\$241,987.91	\$7,797.48	\$0.00	\$249,785.39	\$0.00	\$249,785.39	
230	FEMA HAZARD MITIGATION GRANT F	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
231	CDBG DOWNTOWN REVITALIZATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
329	GENERAL BOND RETIREMENT FUND	\$275,987.26	\$159,157.00	\$336,800.00	\$98,344.26	\$0.00	\$98,344.26	
330	BEECHWOOD AREA TIF	\$1,553,112.76	\$0.00	\$1,553,112.76	\$0.00	\$0.00	\$0.00	
331	SPORTS COMPLEX SPECIAL REVENUE BOND FUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
414	PARK LAND PURCHASE & DEV. FUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
415	CAPITAL IMPROVEMENT FUND	\$1,926,031.09	\$136,764.49	\$1,591,271.16	\$471,524.42	\$0.00	\$471,524.42	
416	SPORTS COMPLEX LAND IMPROVEMENT FUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
461	GARFIELD FORCE MAIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
501	STORMWATER UTILITY FUND	\$1,449,001.66	\$499,057.06	\$716,336.20	\$1,231,722.52	\$0.00	\$1,231,722.52	
502	WATER REVENUE FUND	\$127,639.97	\$922,892.87	\$836,347.14	\$214,185.70	\$0.00	\$214,185.70	
503	SEWER REVENUE FUND	\$651,921.97	\$552,353.38	\$789,093.80	\$415,181.55	\$0.00	\$415,181.55	
516	WATER IMP & REPLACEMENT FUND	\$206,226.29	\$187,789.84	\$319,794.41	\$76,221.72	\$0.00	\$76,221.72	
517	SEWER CAPITAL IMPROVEMENT FUND	\$1,131,354.79	\$597,885.10	\$339,166.43	\$1,390,073.46	\$0.00	\$1,390,073.46	
731	SPECIAL DEPOSIT TRUST FUND	\$6,381.36	\$5,031.36	\$0.00	\$11,412.72	\$0.00	\$11,412.72	

ALL
 Purposes
 Closed
 TO
 ZERO



CITY OF MILFORD

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www.milfordohio.org



To: Honorable Chair Ed Brady and Members Lisa Evans and Kim Chamberland
Administrative Services Committee

From: Pat Wirthlin, Finance Director *P.W.*

Date: January 4, 2018

Subject: Fraunfelter Accounting Services Contract \$10,800 Annually

Staff Suggestion for Committee Motion

MOTION AUTHORIZING THE LAW DIRECTOR TO PREPARE AN ORDINANCE AUTHORIZING A CONTRACT WITH FRAUNFELTER ACCOUNTING SERVICES TO PREPARE THE 2018 AND 2019 BASIC FINANCIAL STATEMENTS FOR THE CITY OF MILFORD, JOINT ECONOMIC DEVELOPMENT DISTRICTS (JEDD), AND COMMUNITY IMPROVEMENT CORPORATION (CIC) AT AN ANNUAL COST OF \$9,000 FOR THE CITY, \$1,200 FOR THE JEDDS AND \$600 FOR THE CIC.

Consistent Pricing

The fiscal years 2018 and 2019 contract fee remains the same for City financial statements, and increases for JEDD and CIC preparation due to the increasing activity in those funds.

Entity	Actual		New Contract	
	2016	2017	2018	2019
City of Milford	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000
JEDDs	\$ 400	\$ 1,000	\$ 1,200	\$ 1,200
CIC	\$ -	\$ -	\$ 600	\$ 600
Total Contract	\$ 9,400	\$ 10,000	\$ 10,800	\$ 10,800

Discussion

Sean Fraunfelter has been preparing the City and JEDD financial statements for 11 years. Mr. Fraunfelter converts cash basis to Generally Accepted Accounting Principles (GAAP), which includes accruals, fixed assets, footnotes and supplemental disclosures for pension, TIF and other tax abatements.

Mr. Fraunfelter usually completes the financial statements under budget. For example, the contract for 2017 was \$10,000, yet he invoiced the City \$9,250 for a savings of \$750.

Please see the contract attached.

City of Milford

PROPOSAL FOR CONSULTING SERVICES
FOR THE YEARS ENDING DECEMBER 31, 2018
AND DECEMBER 31, 2019

Fraunfelter Accounting Services
PO Box 8454
West Chester, Ohio 45069
Sean Fraunfelter, CPA
fraunfelter@yahoo.com
(513) 265-3045

Fraunfelter Accounting Services

Sean Fraunfelter, CPA

P.O. Box 8454

West Chester, Ohio 45069

513-265-3045

email:fraunfelter@yahoo.com

January 2, 2019

Ms. Pat Wirthlin – Finance Director
City of Milford
745 Center Street – Suite 200
Milford, Ohio 45150

Dear Pat:

Thank you for the opportunity to present this proposal for my GAAP consulting services. The past seventeen years working with cities in southwest Ohio have given me insight into the financial needs for your City given the constant changes in public finance and your reporting needs. Fraunfelter Accounting Services will provide you with a quality financial report at a very reasonable cost.

Fraunfelter Accounting Services is best suited to assist the City as my work is based on the following principles:

- Excellent communication with you during the entire conversion process as well as being available throughout the rest of the year to help answer accounting issues you may encounter.
- Provide timely and necessary work papers as described and updated throughout the conversion process.

Fraunfelter Accounting Services has worked solely in governmental accounting and reporting since 1996 and completed well over two hundred GAAP reports including almost sixty plus CAFRs. Each CAFR filed with the GFOA program by Fraunfelter Accounting Services has received the CAFR award.

Fraunfelter Accounting Services

Sean Fraunfelter, CPA

P.O. Box 8454

West Chester, Ohio 45069

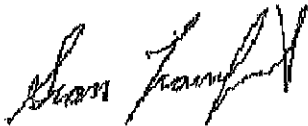
513-265-3045

email:fraunfelter@yahoo.com

My proposal is designed to give you confidence that Fraunfelter Accounting Services is best qualified to assist your City in meeting the challenges in the years ahead. My role as consultant is to provide maximum added value to the "partnership." I do this through my commitment to your City in multiple ways. Pushing financial reporting to the limits and presenting information in the most current method possible.

I welcome the opportunity to continue working with the City and building upon our long-term relationship. I am committed to perform the work within the appropriate time period as determined by your office.

Sincerely,



Sean Fraunfelter, CPA
Fraunfelter Accounting Services

Fraunfelter Accounting Services

Sean Fraunfelter, CPA

P.O. Box 8454

West Chester, Ohio 45069

513-265-3045

email:fraunfelter@yahoo.com



Why Fraunfelter Accounting Services?

Fraunfelter Accounting Services started in March 2000 when the principal, Sean Fraunfelter, left the Auditor of State's office and started his own business. From 1996 to 2000, Sean Fraunfelter worked for the Local Government Services (LGS) division of the Auditor of State office.

During his tenure with LGS, Sean Fraunfelter worked on fifteen GAAP conversions between schools, cities and counties annually. Sean Fraunfelter was also responsible for assisting other local governments in reconciliations, reconstructions and GAAP conversion planning.

In 2000, Sean Fraunfelter became the Finance Director of the Butler County Transportation Improvement District. Fraunfelter Accounting Services started with three local governments (two schools and one city) during that year. It was then determined that Sean Fraunfelter would pursue his consulting business. Since 2000, Sean Fraunfelter has become the Finance Director at five different local governments, completed over one hundred thirty GAAP reports, assisted five different local governments with tax increment financing accounting and other financial reporting.

Sean Fraunfelter participates in the National Government Finance Officer's Association CAFR review program over the past eleven year reviewing approximately eight reports annually. This program provides insight into what GFOA expects in a qualified award report and assists with guidance to technically difficult questions.

Sean Fraunfelter is a CPA with an approved 2018 peer review (provided) and has exceeded the required CPE requirements in each of his required CPA reporting cycle proving his desire to grow in reporting knowledge.

In summary, Fraunfelter Accounting Services allows your City to receive the highest level of expertise and service by working directly with Sean Fraunfelter throughout your entire conversion and audit process.

Fraunfelter Accounting Services

Sean Fraunfelter, CPA

P.O. Box 8454

West Chester, Ohio 45069

513-265-3045

email:fraunfelter@yahoo.com

Scope of Work

Fraunfelter Accounting Services understands the importance of completing the financial report by the required filing date of May 28 with the State of Ohio Auditor's Office and working with the audit team. Fraunfelter Accounting Services is very flexible in the schedule for performing the work to address these areas.

Services to be completed for the City are as follows:

- Complete the City's GAAP conversion.
- Prepare all the GAAP conversion work papers by line item on the financial statements such as, cash, receivables, capital assets, payables and debt, etc.
- Prepare the footnotes and management's discussion and analysis
- Prepare the basic financial statements
- Prepare required supplemental information related to pension disclosures
- Implement GASB 75 (OPEB) and Prepare required supplemental information related to OPEB disclosures
- Work with the audit team (for FY2018-2019 audit period)

Additional Scope of Work (if authorized)

Joint Economic Development District (JEDD)

The City and Union Township has created five joint economic development districts that require reporting the annual activity through the Hinkle System. For fiscal year 2018, the City only requires a compilation filing for each of the five JEDDs. For fiscal year 2019, the JEDDs will be audited. The scope of work includes filing the cash basis reports by March 1 and assisting in the audit process.

Community Improvement Corporation (CIC)

The City created a CIC in 2013 with no financial activity through fiscal year 2017. For fiscal year 2018, the CIC had revenues but no disbursements that will require an annual filing with Hinkle by March 1. Fiscal year 2019 will have both revenues and disbursements (most likely) and also require a Hinkle filing by March 1. The scope of work including filing the cash basis reports by March 1 and assisting in the audit process, if necessary.

Fraunfelter Accounting Services

Sean Fraunfelter, CPA

P.O. Box 8454

West Chester, Ohio 45069

513-265-3045

email:fraunfelter@yahoo.com

Fraunfelter Accounting Services Conversion Listing

<u>Project (bold are current clients)</u>	<u>Number of Years</u>
City of Trenton	13
City of Milford	11
Milford/Union Township JEDDs	3
Miamisburg CSD (CAFR)	6
Yellow Springs EVSD	5
Dohn Community High School	11
Phoenix Learning Center	12
Brookwood Academy	2
Patriot Preparatory Academy	5
Early Learning/Dayton View Academies (2)	4
Cincinnati College Preparatory Academy	6
Butler County TID (CAFR)	17
Montgomery County TID (CAFR)	12
Warren County Port Authority	9
Dayton-Montgomery County Port Authority	9
Non-current client School Reports	93
Non-current client other Reports	22
Total Reports	<u>249</u>

As the list above shows, Fraunfelter Accounting Services has completed a significant number of GAAP conversions since 2000 when the practice was started.

Fraunfelter Accounting Services

Sean Fraunfelter, CPA

P.O. Box 8454

West Chester, Ohio 45069

513-265-3045

email:fraunfelter@yahoo.com

City Conversion Timing

One of the key components Fraunfelter Accounting Services evaluates is the timing of the conversion process. Fraunfelter Accounting Services will work with you and your audit staff to modify the schedule below as needed but the expected timeline follows:

- | | |
|--|-------------|
| 1. Provide a list of required information to Finance Director | February 5 |
| 2. City finalizes accounting records for fiscal year 2018 and provides All necessary cash and budgetary information. | February 23 |
| 3. Fraunfelter Accounting Services starts field work | March 5 |
| 4. Field work is complete and modified trial balance prepared | April 13 |
| 5. Draft compilation report ready for City review | April 27 |
| 6. 2018 Report ready for submission | May 14 |

Fiscal year 2019 will be similar dates but determined with the City and audit team after that year is completed.

Information for the JEDDs and CIC will be requested no later than January 21 to allow sufficient review time by the City and/or Union Township.

Fraunfelter Accounting Services


Sean Fraunfelter, CPA

P.O. Box 8454

West Chester, Ohio 45069

513-265-3045

email:fraunfelter@yahoo.com



References

Project	Contact	Phone Number	Email
Cities/Townships			
City of Trenton	Mike Engel	513-988-6304	mengel@ci.trenton.oh.us
Schools			
Yellow Springs EVSD	Dawn Bennett	937-767-7381	dbennett@ysschools.org
Miamisburg CSD	Tina Hageman	937-866-3381	thageman@miamisburg.k12.oh.us
Special Districts			
Butler County TID	David Spinney	513-785-3450	spinneyd@bctid.org
Montgomery County TID	Steve Stanley	937-226-8266	Sstanley@mctid.org

Fraunfelter Accounting Services

Sean Fraunfelter, CPA

P.O. Box 8454

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email:fraunfelter@yahoo.com

Not to exceed Cost bid

The following table provides you with a *not to exceed cost* to complete your fiscal year 2018 Annual Financial Report under the respective reporting requirements for the fiscal year.

<u>Description</u>	<u>Maximum Cost</u>
Preparation of 2018 Fiscal Year Report	\$9,000
Preparation of 2019 Fiscal Year Report	\$9,000
2018 Hourly Rate is \$100/hr (applied to both years)	
Additional Services to Completed the 2018-2019 annual Financial report/filing for City of Milford/Union Township Five JEDDs	\$1,200 _____
Additional Services to Completed the 2018-2019 annual Financial report/filing for City of Milford CIC	\$ 600 _____

**Note: Please sign to authorized completion*

The maximum cost for the fiscal year includes all costs that FAS could bill to the City with no additional charge for mileage or out of pocket expenses.

The project will be billed on a bi-weekly basis unless the current invoice is less than \$200 for the two-week period.

Sign below if this proposal reflects your City's decision to accept FAS proposal for consulting services for the fiscal years ending December 31, 2018 and December 31, 2019.

City of Milford

Date



October 17, 2018

Sean Fraunfelter
Fraunfelter Accounting Services
P.O. BOX 8454
West Chester, OH 45069-8454

Dear Sean Fraunfelter:

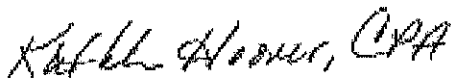
It is my pleasure to notify you that on October 17, 2018, the Ohio Peer Review Committee accepted the report on the most recent Engagement Review of your firm. The due date for your next review is December 31, 2021. This is the date by which all review documents should be completed and submitted to the administering entity.

Should you perform, or become engaged to perform, any engagements under the Statements on Auditing Standards, *Government Auditing Standards*, examination engagements under the Statements on Standards for Attestation Engagements or engagements under the Public Company Accounting Oversight Board (PCAOB) standards that are not subject to PCAOB permanent inspection, you must immediately notify us so we may determine if the firm should have a different due date for a System Review in accordance with the *Standards for Performing and Reporting on Peer Reviews*.

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

Thank you for your cooperation.

Sincerely,



Kathleen Hoover, CPA, Chair
OSCPA Peer Review Committee
peerreview@ohiocpa.com (800) 686-2727
The Ohio Society of CPAs

cc: John Keller

Firm Number: 900004045382

Review Number: 561688



Neptune Equipment Company
 11082 Southland Road
 Cincinnati, OH 45240-3713
 UNITED STATES
 (513)-851-8008

FC Cincinnati meters

OK TO
 PAY X

PAGE 1

INVOICE DATE 11/26/2018
 INVOICE NO 139041

Joe

2018-01044

SOLD TO
 MILO03
 VILLAGE OF MILFORD
 WATER WORKS
 745 CENTER STREET
 MILFORD, OH 45150

SHIP TO
 000001
 VILLAGE OF MILFORD
 WATER WORKS
 745 CENTER STREET
 MILFORD, OH 45150

TOTAL DUE 11,324.00

SLS1	SLS2	DUE DATE	DISC DUE DATE	ORDER NO	ORDER DATE	SHIP NO
JP		12/26/2018	11/26/2018	00017592	10/17/2018	

TERMS DESCRIPTION	CUSTOMER PO NO	SHIP VIA	SHIP DATE
n/30	VERBAL/JOE	XPO 11/7/18	11/26/2018

ITEM ID	TX CL	UNITS	ORDERED	SHIPPED	UNIT PRICE	EXTENSION
W4 G TF 4" TF COMP METER EC)R9001 PIT GAL #70368239-8240 (2) GAL	0	EA	2.0000	2.0000	4,100.0000	8,200.00
WP 4 STRAIN 4" STRAINER, BRONZE COMPLETE 53107-100	0	EA	2.0000	2.0000	1,562.0000	3,124.00
WP 9605-003 STRAINER KIT 4	0	EA	2.0000	2.0000	0.0000	0.00

137000
 502-1580

1-1/2% CHARGE PER MONTH ADDED AFTER 30 DAYS!

TAXABLE	NONTAXABLE	FREIGHT	SALES TAX	MISC	TOTAL
0.00	11,324.00	0.00	0.00	0.00	11,324.00
TOTAL DUE					11,324.00

NOTES

RECEIPT

DATE MAY 11 1954

NO. 124417

RECEIVED FROM WALTER H. BENTLEY

ADDRESS 1614 1/2 N. 10th St. N.W.

FOR Meat

ACCOUNT	HOW PAID
AMOUNT PAID	
BALANCE	
ORDER	

CASH

CASH

© 1954

CITY OF MILFORD INCENTIVE PROGRAM (MIP) AGREEMENT

This Agreement is entered into by and between the City of Milford, an Ohio municipal corporation (hereafter "Milford" or "City"), and PIVOTek Inc., an Ohio corporation for profit (hereafter "Company").

WHEREAS, Milford recognizes the importance of encouraging successful businesses to locate within the City limits; and,

WHEREAS, in an effort to accomplish this goal, the Milford City Council has established a Milford Incentive Program; and,

WHEREAS, the primary consideration for this Agreement is the City's offering of a five year grant to Company in exchange for Company's commitment to conduct its business within the City of Milford for a minimum of five years;

NOW, THEREFORE, in consideration of the mutual promises exchanged herein the parties hereto do hereby agree as follows:

1. City agrees to provide a grant to Company according to the following schedule:

- Years 1-5: A grant equal to 50% of the Company's employee earnings tax withholding;

Company agrees to withhold the appropriate earnings tax (currently 1% of total compensation) for all employees working in the City of Milford and follow all other provisions of the City of Milford Income Tax Ordinance, Chapter 181. All appropriate taxes must be paid in full to the City of Milford Income Tax Office on a monthly basis.

Earnings tax withholding that is paid to the City and then subsequently refunded to the Company or its' employees may not be used as part of the basis for calculating the grant distribution.

2. City shall pay the grant in a total of six payments after determining that the following conditions have been met:

- a) A payment will be made by January 31, 2020. The City will pay the Company 50% of the Company's employee earnings tax withholding for Calendar Year 2019. Subsequent payments will be made for each year for a period of five years ending in Calendar Year 2023 with payment being made by January 31 of each remaining year of the five year agreement.

3. Company agrees to operate at said location for a minimum of ten years from the date of the Agreement with a minimum total payroll of at least one million dollars (\$1,000,000.00) in the first five years. In the event Company's payroll drops below said minimum amount, or in the event that Company ceases its Milford operation and/or relocates to another community outside the City of Milford, for whatever reason, the Company will be subject to a negotiated repayment schedule of said Grant.

- a) If Company payroll drops below said minimum amount before December 31, 2019, Company shall return to the City a pro rata portion of the grant based on the number of months, payroll drops below said minimum amount.
- b) If Company ceases its Milford operation or relocates out of the City before December 31, 2019, Company shall return to the City one hundred percent (100%) of the grant amount that was owed or paid by that time.
- c) If Company payroll drops below said minimum amount before December 31, 2020, Company shall return to the City seventy-five percent (75%) of the grant amount that was owed or paid by that time.
- d) If Company ceases its Milford operation or relocates out of the City after December 31, 2019, and before October 1, 2022, Company shall return to the City seventy-five percent (75%) of the grant amount that was owed or paid by that time.
- e) If Company payroll drops below said minimum amount before December 31, 2022, Company shall return to the City fifty percent (50%) of the grant amount that was owed or paid by that time.

Company will be entitled to keep the entire Grant amount after December 31, 2023.

4. Company agrees to pay all applicable real and tangible personal property taxes and all municipal earnings tax amounts including payroll withholding owed by the Company in a timely manner. If the company should become tax delinquent during the five years following the signing of the Agreement, Company will have one year to become current on taxes, or the entire amount of the Grant shall be reimbursed to the City.
5. Company agrees to pay all applicable water, sewer, and stormwater charges to the City of Milford Utility Department in a timely manner. If the company should become delinquent on utility charges during the ten years following the signing of the Agreement, Company will have one year to become current on utility charges, or the entire amount of the Grant shall be reimbursed to the City.
6. Company agrees to comply with all laws, rules and regulations applicable to the use of the Milford Incentive Program (MIP) funds. The Company further agrees to fully indemnify, defend and save harmless the City, its officials, agents and employees, from and against all suits, claims, demands or actions, damages, liabilities, judgments, losses, costs and reasonable attorney fees arising out of or flowing from, whether directly or indirectly, alleged or actual failure of the Company to comply with said requirements and provisions. The financial obligation of the Company for its indemnification and save harmless duty under this paragraph shall not exceed the total Grant amount. The financial obligation of the Company for its indemnification and save harmless duty under this paragraph and related to compliance with all other laws, rules and regulations applicable to the MIP shall not exceed the total Grant amount.
7. Company affirmatively covenants that it has made no false statements to the City in the process of obtaining approval of this incentive. If any representative of the Company knowingly made false statements to the City to obtain or maintain the incentive provided by the Agreement, the

Company shall be required to immediately return all benefits received under this Agreement and shall be ineligible for any other future assistance from the city.

8. Company acknowledges that it is receiving public funds and documentation of the use of funds may be subject to audit by the County Auditor or the State Auditor or their representatives.
9. Company agrees not to discriminate against employees or applicants for employment by reason of race, color, religion, sex, national origin, ancestry, handicap, age, political belief or place of birth nor knowingly permit contractors or subcontractors to do so.
10. This Agreement is exclusive to Company and may not be transferred or assigned without the express written consent of City.
11. This Agreement may only be voided or amended by the written mutual consent of both parties.
12. This Agreement was prepared by Michael Minniear, Law Director for the City of Milford, based on negotiations between the parties, but it shall not be strictly construed against either party hereto.
13. This Agreement is binding on the parties, their heirs, personal representatives, successors and assigns.
14. This Agreement shall be in full force and effect on the date signed by the second party to sign.

CITY OF MILFORD, OHIO :

PIVOTek Inc.:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

CITY OF MILFORD PROPERTY TAX REBATE INCENTIVE AGREEMENT

This Agreement is entered into by and between the City of Milford, an Ohio municipal corporation (hereafter "Milford" or "City"), PIVOTek Inc, an Ohio corporation for profit (hereafter "Company").

WHEREAS, Milford recognizes the importance of encouraging successful businesses to locate within the City limits; and,

WHEREAS, in an effort to accomplish this goal, the Milford City Council has established a Property Tax Rebate Incentive Program; and,

WHEREAS, the primary consideration for this Agreement is the City's offering of a five year property tax rebate for City of Milford to Company in exchange for Company's commitment to conduct its business within the City of Milford for a minimum of five years;

NOW, THEREFORE, in consideration of the mutual promises exchanged herein the parties hereto do hereby agree as follows:

1. City agrees to provide a grant to Company according to the following schedule:
 - A five year property tax rebate in the amount of 100% for only the property tax portion owed to the City of Milford.
2. Company agrees to pay all applicable real and tangible personal property taxes owed by the Company in a timely manner. If the company should become tax delinquent during the five years following the signing of the Agreement, Company will have one year to become current on taxes, or the entire amount of the Grant shall be reimbursed to the City.
5. Company agrees to pay all applicable water, sewer, and stormwater charges to the City of Milford Utility Department in a timely manner. If the company should become delinquent on utility charges during the ten years following the signing of the Agreement, Company will have one year to become current on utility charges, or the entire amount of the Grant shall be reimbursed to the City.
6. Company agrees to comply with all laws, rules and regulations applicable to the use of the Milford Incentive Program (MIP) funds. The Company further agrees to fully indemnify, defend and save harmless the City, its officials, agents and employees, from and against all suits, claims, demands or actions, damages, liabilities, judgments, losses, costs and reasonable attorney fees arising out of or flowing from, whether directly or indirectly, alleged or actual failure of the Company to comply with said requirements and provisions. The financial obligation of the Company for its indemnification and save harmless duty under this paragraph shall not exceed the total Grant amount. The financial obligation of the Company for its indemnification and save harmless duty under this paragraph and related to compliance with all other laws, rules and regulations.

7. Company affirmatively covenants that it has made no false statements to the City in the process of obtaining approval of this incentive. If any representative of the Company knowingly made false statements to the City to obtain or maintain the incentive provided by the Agreement, the Company shall be required to immediately return all benefits received under this Agreement and shall be ineligible for any other future assistance from the city.
8. Company acknowledges that it is receiving public funds and documentation of the use of funds may be subject to audit by the County Auditor or the State Auditor or their representatives.
9. Company agrees not to discriminate against employees or applicants for employment by reason of race, color, religion, sex, national origin, ancestry, handicap, age, political belief or place of birth nor knowingly permit contractors or subcontractors to do so.
10. This Agreement is exclusive to Company and may not be transferred or assigned without the express written consent of City.
11. This Agreement may only be voided or amended by the written mutual consent of both parties.
12. This Agreement was prepared by Michael Minniear, Law Director for the City of Milford, based on negotiations between the parties, but it shall not be strictly construed against either party hereto.
13. This Agreement is binding on the parties, their heirs, personal representatives, successors and assigns.
14. This Agreement shall be in full force and effect on the date signed by the second party to sign.

CITY OF MILFORD, OHIO

PIVOTEK, INC.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____