

Cuyahoga Falls City Council
Minutes of the Finance and Appropriations Committee Meeting

October 7, 2019

Members: Tim Gorbach, Chair
Jerry James
Mary Ellen Pyke

Mr. Gorbach called the meeting to order at 6:30 p.m. All members were present.

The minutes of the November 19, 2018, December 17, 2018 and February 4, 2019 Finance Committee meetings were approved as written.

Legislation Discussed

Temp. Res. B-66
Temp. Ord. B-67
Temp. Ord. B-68
Temp. Ord. B-69
Temp. Ord. B-70

Discussion:

Temp. Res. B-66

A resolution accepting the amounts and rates of taxation as certified by the Summit County Budget Commission, authorizing the necessary tax levies, certifying such authorization to the County Fiscal Officer, and declaring an emergency.

Mr. Bryan Hoffman, Finance Director, stated that this is a routine piece of legislation that the City does every year about this time that satisfies ORC 5705.34.

Mr. James moved to bring out Temp. Res. B-66 with a favorable recommendation, second by Mrs. Pyke. Motion passed (3-0).

Temp. Ord. B-67

An ordinance authorizing the Director of Finance to enter into a contract or contracts, without competitive bidding, with Wichert Insurance Services, Inc. for the professional services necessary to manage the City's risk management and insurance program and for the purchase of public entity insurance coverages, and declaring an emergency.

Mr. Hoffman stated that the green piece of paper he gave to Council is the insurance premium comparison sheet that he has provided in the past showing where the City's insurance rates are for 2019 compared to previous years. This year is a little more in premiums primarily due to two things: One is the valuation of buildings; primarily, the Police Training Facility was added to the schedule this year. The other piece is the auto insurance liability. The City only carries liability on its vehicles. The City is seeing an 11 percent increase for overall premiums for vehicle liability, and that makes up most of the increase from 2018 to 2019.

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Mr. Gorbach stated that the City has added coverage in a technological aspect. Mr. Hoffman stated that was correct. They had to purchase FIP coverage starting in 2015. That was coverage they were mandated to buy that as flood insurance coverage from the flood of 2014. The City received funding from the State to help offset some of the replacement costs on computers, but they mandated the City invest in the flood insurance coverage.

Mr. Gorbach asked Mr. Hoffman to speak briefly as to why the City retains Wichert Insurance Services, Inc. Mr. Hoffman stated that Wichert Insurance represents the City in many aspects of insurance business. They are located in the City of Cuyahoga Falls. The City has had Wichert insurance since at least 1968. They represent almost every surrounding municipality, including Akron, Stow, et cetera. They provide not only services going out to bid coverages from insurance carriers, they also provide some claims services. Cuyahoga Falls is a little bit unique in that it handles a lot of its claims from the Law Department. Wichert provides a lot of the ancillary services for that. That is why the City doesn't go out for a bid on those services and this is without competitive bidding in the ordinance.

Mrs. Pyke moved to bring out Temp. Ord. B-67 with a favorable recommendation, second by Mr. James. Motion passed (3-0).

Temp. Ord. B-68

An ordinance providing for the issuance and sale of Notes in the maximum principal amount of \$1,200,000, in anticipation of the issuance of Bonds, for the purpose of paying the costs of improving various municipal public infrastructure projects in the proposed Woodlands Subdivision including Sourek Trail, Sand Hill Drive, Kubic Drive, West Woodland Drive, East Woodland Drive and South Woodland Drive between certain termini, and declaring an emergency.

Mr. Hoffman stated that, in the binder passed out last year, two changes that he passed on at this point in time was one to the fire station. They increased that plan from \$2.25 million to \$4 million in notes this year for that building and for the Sourek Trail notes that would be under Ordinance B-68. From that plan, nothing has changed from then until now. These are ordinances pertaining to that plan. Under B-68, they are looking at issuing \$1.2 million for public improvements at the Sourek Trail development, waterline, sewer line and pump station. Those costs will then be paid back through the TIF that was created in that district.

Mr. James moved to bring out Temp. Ord. B-68 with a favorable recommendation, second by Mrs. Pyke. Motion passed (3-0).

Temp. Ord. B-69

An ordinance providing for the issuance and sale of Notes in the maximum principal amount of \$1,600,000, in anticipation of the issuance of Bonds, for the purpose of paying the costs of constructing waterlines in Graham Road, together with all appurtenances thereto, and declaring an emergency.

Mr. Hoffman stated that this was part of the 2019 budget. They had originally issued \$1.8 million worth of notes in the Water Department for the replacement of the waterline on Graham Road. This was paid down \$200,000 from that plan or in those notes, so that would be \$1.6 million.

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Mr. Brillhart asked if this was from 2015. Mr. Hoffman stated that was correct.

Mrs. Pyke moved to bring out Temp. Ord. B-69 with a favorable recommendation, second by Mr. James. Motion passed (3-0).

Temp. Ord. B-70

An ordinance providing for the issuance and sale of Notes in the maximum principal amount of \$4,000,000, in anticipation of the issuance of Bonds, for the purpose of paying the costs of improving the City's public safety facilities by acquiring, constructing, reconstructing, renovating, improving, furnishing and equipping a new fire station and providing for the demolition, renovation and remodeling of the existing facilities, together with all necessary and related appurtenances thereto, and declaring an emergency.

Mr. Hoffman stated that \$4 million was for Fire Station Number 3 on Portage Trail. The change in the 2019 budget to the 2019 revised was so it freed up some cash for the Summit DD project. The City is going to borrow a little bit more on that Fire Station.

Fire Chief Fred Jackson stated that the project is going quite well. They are on schedule. In early spring, they were almost 30 days ahead of schedule; then they had 70 rain dates, so they had a lot of days they were partial days which pushed them to just on schedule. They're still maintaining just on schedule time. The groundbreaking celebration and ribbon cutting will be held in the springtime.

Mrs. Pyke asked how long the City has been using Squire Patton Boggs and Baker Tilly. Mr. Hoffman stated that the City has been using Baker Tilly since 2014 as its municipal advisor under a couple different names, but the same people. They've been bought out and merged a couple of times. Baker Tilly provides municipal accounting services. Squire Patton Boggs is the City's bond counsel. The City has been with Squire for a very long time. They went to Benesch to decrease costs, and then their representative with Benesch went over to Squire, because Squire is probably one of the leading firms in the State of Ohio when it comes to bond counsel.

Mr. Russell Balthis, Law Director, stated that when the City went to Benesch, it did get better rates. When their representative moved to Squire, they agreed to honor the lower rates. The City has used Squire as bond counsel for at least 55 of the last 60 years.

Mr. James moved to bring out Temp. Ord. B-70 with a favorable recommendation, second by Mrs. Pyke. Motion passed (3-0).

The meeting adjourned at 6:55 p.m.