

**Cuyahoga Falls City Council
Minutes of the Finance Committee Meeting
November 7, 2011**

Members: Kathy Hummel, Chair
Don Walters
Carol Klinger

Mrs. Hummel called the meeting to order at 7:15 p.m. All members were present.

The minutes from the October 17, 2011 Finance Committee meetings were approved as submitted.

Legislation Discussed:

Temp. Ord. B-99
Temp. Ord. B-103
Temp. Ord. B-104
Temp. Ord. B-105
Temp. Ord. B-106
Temp. Ord. B-107

Discussion

Temp. Ord. B-99

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. Brodzinski stated this is the ordinance that is brought every year covering general liability insurance, umbrella, public officials, law enforcement, auto, etc. The City has used Wichert successfully in the past. Wichert brought a flat line proposal with a slight increase of \$9,000 for a total of \$309,000. The City had budgeted 4% more than the amount the proposal came in at. Areas that increased were law enforcement liability, public officials, and commercial property. There was a slight decrease in auto. Mrs. Hummel felt the \$9,000 increase was within reason given the state of the economy right now.

Mrs. Klinger moved to bring out B-99 with a favorable recommendation, second by Mr. Walters. Motion passed (3-0).

Temp. Ord. B-103

An ordinance providing for the issuance and sale of \$300,000 notes, in anticipation of the issuance of bonds, for the purpose of paying a portion of the costs of improving State Road between Graham Road and Steels Corner Road by widening, constructing sidewalks and storm water management facilities and installing lighting and traffic signals, where necessary, and all related improvements, and declaring an emergency.

Mr. Brodzinski stated the City borrowed \$550,000 last year, and in December would be looking to pay down \$250,000 in December, bringing the total to \$300,000. Mrs. Hummel commented that the fee charged by Squire, Sanders & Dempsey was \$3,500.

Mrs. Klinger moved to bring out B-103 with a favorable recommendation, second by Mr. Walters. Motion passed (3-0).

Temp. Ord. B-104

An ordinance providing for the issuance and sale of \$85,000 notes, in anticipation of the issuance of bonds, for the purpose of paying a portion of the costs of improving the City's water system by replacing the waterline in Taft Avenue and replacing the dehumidification units at the City's water treatment plant, and declaring an emergency.

Mr. Brodzinski stated the initial amount borrowed was \$170,000. The plan was to pay one-half in 2011, which would bring the total to \$85,000. The balance would then be paid off in 2012. Mrs. Hummel commented that the fee charged by Squire, Sanders & Dempsey is \$2,500 plus out-of-pocket expenses. Mrs. Klinger asked at what rate these would all be borrowed. Mr. Brodzinski stated that would not be determined until the notes are sold at the beginning of December, but he anticipated it would be 1% or less. Mrs. Hummel asked if it was more advantageous to keep these in notes versus converting them to bonds. Mr. Brodzinski indicated it was. The goal is to stay in short-term notes and pay them down quicker. Bonds are long term.

Mr. Walters moved to bring out B-104 with a favorable recommendation, second by Mrs. Klinger. Motion passed (3-0).

Temp. Ord. B-105

An ordinance providing for the issuance and sale of \$1,000,000 notes, in anticipation of the issuance of bonds, for the purpose of paying a portion of costs of constructing a State Route 8 interchange at Seasons Road, including construction and installation of water, storm sewer and sanitary sewer lines, traffic signalization, street lighting and related improvements, and declaring an emergency.

Mr. Brodzinski stated that the City initially borrowed \$1 million last December. It was anticipated that this project would go forward by the end of last year or beginning of this year, however, it has been moved to the latter part of this year. The plan was to pay \$500,000 this year and then owe \$500,000. Since no activity has occurred on this project, it was decided to stay at \$1,000,000 and borrow money for the improvement and use the \$500,000 for Chart Road. Mrs. Hummel commented that the fee charged by Squire, Sanders & Dempsey was \$4,000.

Mrs. Klinger moved to bring out B-105 with a favorable recommendation, second by Mr. Walters. Motion passed (3-0).

Temp. Ord. B-106

An ordinance providing for the issuance and sale of notes in the principal amount of \$300,000, in anticipation of the issuance of bonds, for the purpose of paying costs of improving the City's Brookledge Golf Course, and declaring an emergency.

Mr. Brodzinski stated the City borrowed 1,000,000 in 2009 for the irrigation system at the golf course and also for the construction of a drainage system for the sand traps. \$300,000 was paid in 2010 leaving a total of \$700,000. The plan was to pay down \$100,000 in December, however, based on the activity that occurred on both the revenue and expense side of the Leisure Time Fund, the City is able to pay an additional \$300,000 for a total payment of \$400,000, leaving a balance of \$300,000. Mrs. Hummel commented that the fee charged by Squire, Sanders & Dempsey is \$3,500.

Mr. Walters moved to bring out B-106 with a favorable recommendation, second by Mrs. Klinger. Motion passed (3-0).

Temp. Ord. B-107

An ordinance providing for the issuance and sale of notes in the principal amount of \$8,000,000, in anticipation of the issuance of bonds, for the purpose of paying a portion of the costs of constructing a community recreation center and acquiring real estate and interests in real estate therefor, and declaring an emergency.

Mr. Brodzinski stated this was for the community center. The City plans to pay an additional \$1,000,000 and borrow \$8,000,000. This ordinance allows it to do that. Mrs. Hummel commented that the fee charged by Squire, Sanders & Dempsey is \$6,000.

Mrs. Klinger moved to bring out B-107 with a favorable recommendation, second by Mr. Walters. Motion passed (3-0).

The Committee meeting adjourned at 7:28 p.m.