

Cuyahoga Falls City Council

Minutes of the Finance and Appropriations Committee Meeting

July 18, 2005

Members: Mr. Flinn, Chairman; Mr. Barnhart, Vice Chair; Mr. Gorbach, Member.

Mr. Flinn called the Finance Committee to order at 7:06 p.m. The minutes from the Finance Committee meeting of 7/5/05 were approved as submitted.

Pieces of Legislation this evening (second readings):

B-112	An Ordinance levying special assessments for the reconstruction of Albemarle Avenue from 9 th Street to Meriline Street and 9 th Street from Francis Avenue to Albemarle Avenue, including but not limited to driveway aprons, sanitary and storm sewers, water lines, catch basins, paving, restoration and landscaping, together with necessary appurtenances incidental thereto, and declaring an emergency.
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Toni Demasi indicates this project started 3 years ago with a delay due to a gas line. This is the last piece of legislation for this project. It is around \$700,000. Issue II funds were available, at about \$200,000. The assessment for 1359 Hillcrest needs to be adjusted due to frontage on Albermarle, the lots have split and been sold. The fair split since their frontage is on Hillcrest, needs to be adjusted. Mary Ellen Pyke indicates this is a beautiful and impressive street. This was 30% lower in cost than what we expected. Mr. Flinn agrees this has dramatically improved the neighborhood. Mayor Robart acknowledged that Mrs. Pyke has worked hard to sell these assessments, costs and changes. Ronald Nash, 835 Albermarle, thanks Mary Ellen for her hard work and what a joy it is to see the street and improvements to our area.

The committee recommended bringing out TEMP. Ord. B 112

B-118*	An Ordinance authorizing an amendment to the 1996 Woodridge/Hidden Valley Trunk Sewer Agreement with the County of Summit, and declaring an emergency.
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The Tamsin Park area was recently annexed and the final plat of Hidden Lakes includes the extension of city sewers up into that area. The Department of County Services indicates that since it dumps into Mud Brook, we need to enter into an agreement to help recoup their costs of county lines/sewers. This amends an earlier agreement of 'sewer service area' that encompassed Blossom Glen, Hidden Lakes, Keyser Park, etc. Tamsin Park was NOT part of the agreement and we discussed terms to include the new development. The County will approve the sewer extensions and they will be city sewers, yet the County wants money. We have taken the tap in fees and divided by 3. 1/3 is being paid by the developer (\$535), 1/3 by the city (\$535), and the County is eating the rest. The city will continue to get the sewer tap in fees. Mr. Potts asks if this negotiations will affect the other areas of Ward 8 (Northampton) where sewer fees are extremely high (\$8600). Will the city pay some of these fees? Virgil indicates we are not setting a precedent.

The committee recommended bringing out TEMP. Ord. B 118

B-100	An Ordinance providing for Health Care Insurance coverage for employees not covered by a collective bargaining agreement, and declaring an emergency.
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Mr. Arrington indicates that making changes to employee's benefits is not pleasant. Changes, financially, must be made. Our health care policy is very generous as compared to private and other state government agencies. The city is self-insured, which means our taxpayers pay the employees medical bills. All of our health claims are paid through the general fund. This is the year where will be renegotiating our many contracts. The Administration employees are non-bargaining employees

and we will use this as a basis for the other contracts we are negotiating. We currently do not charge a premium for our health care. Our plan is very unique. We pay 100% of the bill after the co-pay of \$10. We are bringing this plan to continue health savings and avoid paying premiums by our employees. Spouses who are employed elsewhere will have to secure coverage from their respective employer or pay 1/3 COBRA fees (approximately \$181) through the city monthly.

Joe indicates the TPA is looking at the 'spousal' piece, so I can't give numbers on this as to what the savings could be. This program could save \$43,000 as compared to the original ordinance. Every year, there are different experiences and we can't project what will happen this year. Last year, we spent \$5.5 million on health care costs. We don't know who will elect to pay the \$181 to be on the plan, how many spouses will meet the criteria and the medical costs. Mr. Gorbach indicates there are rising health care cost across the board. He is interested in hearing from some individuals that this affects. Mr. Arrington indicates it is the city's intent to have all employees on the same health care plan. Negotiations of the contracts cannot be discussed at this point. Mr. Barnhart agrees we don't want to see increases, yet if we don't address this, it will have implications on our taxpayers. It has increased from \$3 million to \$5.5 million in two years. Mrs. Pyke agrees that no one likes to see this. She feels a \$75 co-pay for an emergency room visit is too high. Putting off an asthmatic attack can be difficult and life threatening. We have 1545 people on our health care plan currently according to Debbie Megenhart.

John Conley, 3400 Squires Bend, asks how we are calculating the 32 hours? He has a spouse that works 32 hours for the school, but is of the summer. Virgil indicates I would be an average of 32 hours per week by 9 months (term of their employment agreement).

Frances Bishop, 4711 Algonquin Trail, indicates expenses are going up. Why isn't the City setting aside money for the rising costs? She is concerned that many employees are on vacation, had left the office when this letter was presented to the Court employees. She asks that the Administration not speak for all the non-bargaining unit employees due to varying wages/benefits. Joe indicates health care has gone up 78%. Utilization is driving up the costs. If we go the premium route, everyone will have to pay. Taxpayers would have to cover the bill and many of our residents have less health care with higher costs. Mrs. Hummel indicates we should hold this Ordinance for another week to speak with employees about these changes. Mr. Walters would like to look at the salaries and percentages to lessen the blow. Joe indicates this Ordinance doesn't take place until January 2006.

The committee recommended to discuss JULY 25, 2005 during a special committee meeting. TEMP. Ord. B 100.

Miscellaneous Business:

Finance and Appropriations Committee Meeting adjourned at 8:15 p.m.