

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

December 5, 2022

Members: Mary Nichols-Rhodes, Chair
Tim Gorbach
Adam Miller

Ms. Nichols-Rhodes called the meeting to order at 7:01 p.m. Mr. Miller was absent.

Legislation Discussed

Temp. Ord. A-121

Temp. Ord. A-131

Temp. Ord. A-132

Temp. Ord. A-133

Discussion:

Temp. Ord. A-131

An ordinance authorizing the Director of Finance to enter into a contract or contracts without competitive bidding with the Metropolitan Regional Service Council dba Northeast Ohio Network for Educational Technology for the purchase of IP telephony and voicemail services for a period not to exceed three years, and declaring an emergency.

Mr. Josh Kington, Director of Information Services, presented Temporary Ordinance A-131 to Council. The Metropolitan Regional Service Council is a public agency and a political subdivision of the State of Ohio, organized as a Council of Governments under Chapter 167 of the Ohio Revised Code. Pursuant to Ohio R.C. §735.053, purchase contracts between the City and other political subdivisions of the State are exempt from competitive bidding requirements otherwise provided in the Code.

The Director of Finance will be authorized to enter into a contact or contracts, without competitive bidding, with the Metropolitan Regional Service Council dba Northeast Ohio Network for Educational Technology, on the basis of its proposal dated November 9, 2022, for the purchase of IP telephony and voicemail services, including all hardware and software, for a period not to exceed three years. The Director of Finance will be authorized and directed to make payment for same from funds properly appropriated to the various departments of the City for these purposes, according to an apportionment of costs as between the departments.

Mr. Gorbach moved to bring out Temp. Ord. A-131 with a favorable recommendation, second by Ms. Nichols-Rhodes . Motion passed (2-0).

Temp. Ord. A-132

An ordinance authorizing the Mayor, as Director of Public Safety, to enter into a contract or contracts, without competitive bidding, with Axon Enterprises, Inc. for the purchase of the TASER 7 plan for use by the City's safety forces, and declaring an emergency.

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Captain Todd Shafer presented Temporary Ordinance A-132 to Council. Axon Enterprises, Inc. is the sole source purveyor of the TASER 7 Plan, providing City safety forces with necessary TASER 7 hardware, accessories, warranties, and associated services.

The Mayor, as Director of Public Safety, will be authorized to enter into a contract or contracts, without competitive bidding, with Axon Enterprises, Inc. for the TASER 7 Plan, which includes the TASER 7 Conducted Energy Weapon hardware, accessories, warranty and associated services, for use by the City's safety forces for a period not to exceed five years. The Director of Finance will be authorized and directed to make payment for same from the Capital Projects Fund, Line Item Capital Outlay.

Captain Shafer stated that they would like to enter a five-year contract with Axon Enterprises for the TASER 7 plan. The current contract ended in April, and they are currently not under a maintenance agreement. This will be an all-inclusive contract that includes handles, holsters, all the training cartridges and live cartridges for the five-year term.

Mr. Brillhart asked how many times a year they have to use a taser. Captain Shafer stated that, as of the end of September 2022, they have deployed the tasers seven times. They document use of force and report each time that the taser is brought out. If they light the taser, that is considered a use of force and if they put it on the person and get compliance that is documented in the use-of-force report.

Mr. Gorbach moved to bring out Temp. Ord. A-132 with a favorable recommendation, second by Ms. Nichols-Rhodes . Motion passed (2-0).

Temp. Ord. A-133

An ordinance authorizing the Mayor to enter into a contract or contracts with Medical Mutual of Ohio for stop-loss insurance coverage for the City's self-insured medical and prescription drug plans, for a period not to exceed one year, and declaring an emergency.

Mr. Bryan Hoffman, Finance Director, presented Temporary Ordinance A-133 to Council. The Mayor will be authorized to enter into a contract or contracts with Medical Mutual of Ohio, for stop-loss insurance coverage for the City's self-insured medical and prescription drug plans, for a period not to exceed one year. The Director of Finance will be authorized to pay approved invoices for work based upon the Contract, from the Self-Insurance Fund, Line Item Other Operations.

Mr. Hoffman stated that if a claim goes over \$250,000, the City is reimbursed for those costs. This ordinance is for the contracts for stop-loss insurance to limit the risk of the City and the Self-Insurance Fund. Because they have had some higher claims over the past several years come through the Self-Insurance Fund, they are anticipating an 18-percent increase over last year. They market this to a variety of different insurance carriers. Some insurance carriers will provide them a premium based upon the specific number of people they have and issues that they have had for

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high-loss claimants. They are proposing that Medical Mutual provides the best coverage at the best cost.

Ms. Nichols-Rhodes asked how many claims a year are over \$250,000. Mr. Hoffman stated that it varies year to year. They stay within one to two, or a third. When it goes high, it is usually in the \$500,000 or \$700,000 level with those one or two claimants a year.

Mr. Balthis thanked the Administration and the members of the union and civil servants that serve on the Health Care Committee. The City saves a lot of money that can put into services by being self-insured and having the stop-loss insurance to shield the City from massive losses.

Mr. Gorbach moved to bring out Temp. Ord. A-133 with a favorable recommendation, second by Ms. Nichols-Rhodes . Motion passed (2-0).

Temp. Ord. A-121

An ordinance establishing annual appropriations of money for the current expenses, capital expenditures and other expenses of the City of Cuyahoga Falls for the fiscal year ending December 31, 2023, and declaring an emergency.

Mr. Bryan Hoffman, Finance Director, presented Temporary Ordinance A-121 to Council. Ohio Revised Code §5705.38 requires local taxing authorities to pass an annual appropriations measure classified so as to set forth the amounts appropriated to each office, department and division of the taxing authority. Article VI, Section 6 of the City Charter requires the Mayor to submit an estimated budget for the coming fiscal year showing the requested allotments of the appropriations and estimated income for each office or department for the calendar year.

Neighborhood Excellence, Communications and Community Outreach - NECCO (Page 205)

Personal Services- (\$3,237) decrease. Cost of living (COLA) increase for department personnel (Non Bargaining), and a merit increase. This was offset by savings from the planned replacement of NECCO Director at a lower rate of pay. Reduction in Insurance - Medical/Dental, and Vision due to replacement being budgeted at the lowest coverage category (Single).

Operations expenditures - \$13,236 increase. Advertising (53001) +\$15,000 for the launch of a regional advertising campaign that will promote travel, tourism and commerce to continue to bring new people into the City.

Ms. Carrie Snider, Director of NECCO, presented a recap of the department events for the year 2022.

Ms. Nichols-Rhodes stated that the operation expenditures are going to be \$13,236 for advertising and for the launch of a regional advertising campaign.

Ms. Snyder stated that they will have digital billboards and digital media. They will be participating in co-ops with the Convention Bureau, where they would get a spot in the Ohio Travel

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Guide, which prints and distributes 400,000 guides. They will also advertise in some regional and specific travel-focused magazines. They are also going to implement geo fencing to market events and other programs and services in the city.

Mayor Walters stated that the advertising budget is quite small. They have never been in the travel and tourism world in the past, but the City has so much to offer. The Cuyahoga Valley National Park is one of the busiest parks, so they need to capitalize on those visitors. They must be intentional with that and let visitors to the area know what the city has to offer. It is a small amount and it would be used wisely, as any business would do, to get the word out.

Community Development (Page 289)

Personal Services - \$31,159 increase. Cost of living (COLA) increases for Non Bargaining, and AFSCME personnel. In addition, several employees have scheduled merit increases, or longevity in 2023.

Operations expenditures - \$154,888 increase. Increase is related to the following: Property/Building Maintenance and Repair (53021) + \$23,000 for one-time justification for carpet replacement; Architectural/Engineering Services (54002) + \$45,000, in which this account includes two mini-master plans at \$40,000 each for South State Road, and Bailey Road corridor; Miscellaneous Contractual Services (54005) for Rise together consulting, and a records archiving initiative between this department and Engineering to preserve critical information located in the City Hall attic. The Community Development Department has a few Special Revenue Funds under their management including the Community and Economic Development Fund (Fund 209), Community Development Block Grant Fund (210), and Enterprise Zone/Community Reinvestment Area Fund (212). The nature of these funds is to account for specific revenues that are legally restricted to expenditure for particular purposes. These funds are budgeted at the Community Development Director's discretion based on restriction of use and available resources. The following fund descriptions are from excerpts from our City's Comprehensive Annual Financial Report:

Ms. Colavecchio presented Council with an update on some of the City's ongoing major projects, such as the Merriman Valley Master Plan. They passed a gateway ordinance, along with Akron and Peninsula. They have installed new public art, including a sculpture by Don Drumm. The CIC Revolving Loan Program will begin taking applications starting in January. They are continuing Front Street development and growing the footprint, starting at Portage Trail and growing it down South State Road and the Bailey Road/Northmoreland area. They are making improvements to the Cochran Road Industrial Park. Their department has been partnering with Engineering, Parks and Recreation and other department to complete these projects.

Mr. Gorbach thanked Ms. Colavecchio for her great recap going through what Council has discussed and voted on during the year and seeing it coming to fruition. He stated that he is looking forward to 2023.

Ms. Nichols-Rhodes stated that Council also has the advantage of working with all of the departments. They all have the same focus of wanting to do the right thing for the right reason.

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Community and Economic Development Fund - 209 (Page 293) To account for monies received from the sale of City-owned properties in an urban renewal area.

Community Development Block Grant Fund - 210 (Page 295) To account for monies received from the federal government through the Department of Housing and Urban Development as a direct entitlement community. The funding received is to directly benefit low and moderate income persons in the community. Projects funded include housing rehabilitation, economic development activities, infrastructure projects, planning and administrative costs that meet the programs national objectives. Projects are approved via an annual action plan. Fund also accounts for repayments from previous activities related to participation in the Summit County program as a sub-recipient.

Enterprise Zone Community Reinvestment Fund - 212 (Page 301)

To account for fees collected from enterprises receiving a tax incentive through an enterprise zone agreement for the purpose of administering and monitoring the Enterprise Zone Agreement. The most notable changes to Community Development Special Revenue Funds are in the Community Development Block Grant Fund which is highlighted separately below.

Community Development Block Grant Fund (Page 295)

Revenues - No change. We are anticipating the same direct entitlement allocation from the U.S. Department of Housing and Urban Development (HUD).

Personal Services - \$8,092 increase, Cost of living (COLA) increase (Non Bargaining), merit, and longevity increase for department employee.

Operations expenditures – (\$8,048) decrease. Decrease in Contractual Services Group (\$14,282). Some monies previously appropriated in Miscellaneous Contractual Services (54005) were reassigned to Economic Development (54020) for matching equipment / supply grants, façade grants, and sign grants.

Ms. Peggy Szalay, CDBG Entitlement Administrator, gave a brief summation to Council and was available to answer questions.

Ms. Nichols-Rhodes stated that Ms. Szalay does a lot with little and they appreciate it. She is exceedingly kind and everyone that works with her is very appreciative of her compassion.

Parks and Recreation (Page 303)

Personal Services - \$394,012 increase. Cost of living (COLA) increases for Non Bargaining, and AFSCME personnel, as well as scheduled merit, or longevity increases for several employees in 2023. Additionally, we are transferring Quirk Cultural Center personnel to the General Fund, the total of which is \$194,428, and the department is requesting three new full-time employees (Cleaning Personnel I, and two Full time Laborers), which will be funded by additional revenue, and other expense reduction measures, such as an increase in Rent/Lease of Facility - 49110 + \$6,500, reduction of Overtime - 51020 from \$39,000 to \$25,000 (\$14,000), a reduction of Part Time - 51050 in Lodge Activities project # 922 (\$24,563), elimination of a previously budgeted

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Regular Part Time Worker (\$26,198), and reduction of Temporary Labor - 54007 (\$72,000). We are planning on moving Quirk Culture Center activities to the General Fund, and eliminating it from the Leisure time Fund, due to changes in programming and use of facility.

Operations expenditures - \$79,447 increase. As noted above, we are eliminating the Quirk Cultural Center from the Leisure Time Fund Budget, blending it in the General Fund, and therefore are eliminating the subsidy transfer made consistently in previous years (\$280,732). The amount of other operations moved the General Fund is approximately \$130,000. This increase is offset by the reduction in Temporary Labor (54007) associated with the new proposed positions, as noted above.

Recreation Levy Fund (Page 311, Five Year Capital Projection Page 312)

Revenues - \$248,254 increase, which is attributable to the Transfer In - Income Tax associated with the increase in gross income tax collections.

Operations expenditures - \$24,236 increase, which is relatively small change for this fund. Increase is attributable to many factors, but most notably Material & Supplies category, for Hardware/Lumber Supplies (52009) + \$15,000, and Landscape Supplies (52012) + \$10,000, and Tree Trimming Services (54001) + \$10,500 as some operational items were moved to this fund due to the increase in revenue.

Capital outlay - The Five-year Capital Plan 2023-2027 for this fund is on page 312 and will be discussed in detail at the budget hearing. Capital Projects change from year to year and are generally not comparable. There is a slight increase of \$5,000 in this group.

Debt service - \$574,750 increase. This increase is related to the increase in bond anticipation notes issued in the current year, which will be paid in 2023 for Brookledge Clubhouse renovations.

Leisure Time Fund (Page 317, Five Year Capital Projection Page 323)

Revenues - \$51,687 increase, which is attributable to more projected charges for services and facility rental for Natatorium + \$70,756, Water Works + \$133,400, Brookledge + \$73,700, and Downview + \$18,400, offset by the moving of revenue associated with Quirk Cultural Center to the General Fund (\$340,823), as previously mentioned. These revenue sources were scaled back in the 2021 budget due to the COVID-19 global pandemic, but we are seeing a recovery in 2022, and are optimistic for 2023.

Personal Services - \$15,020 overall increase. Natatorium + \$128,652 increase, Water Works \$2,730 increase, Brookledge \$31,571 increase, and Downview \$2,424 increase. Cost of living (COLA) increases for Non Bargaining, and AFSCME personnel. In addition, many employees have scheduled merit, or longevity increases in 2023. The Natatorium and Brookledge change is mostly due to the increase in Part Time wages of \$71,000, and \$14,700, respectively, for the anticipated increase in minimum wage. As noted before, these increase were offset with the moving of Quirk Cultural Center personnel to the General Fund.

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Operations expenditures - \$130,255 overall increase. Natatorium + \$125,350, Water Works + \$33,662, Brookledge + \$77,181, and Downview + \$59,645. Increases are mostly attributable to the following: Natatorium - Property/Building Maintenance and Repair (53021) + \$80,000, and Utilities: Natural Gas - Other + \$66,690, due to maintaining a large aging facility, and cost increases; Water Works - general increases with nothing specific to note; Brookledge + \$77,188 for Landscaping Supplies (52010) + \$18,950, Fuel (52051) + \$5,000 associated with cost increases, and Tools & Equipment Rent/Lease + \$36,288 for the new golf cart lease; Downview + \$59,645 for Landscaping Supplies (52010) + \$26,000, associated with cost increases, and completion of a renovation project, and Merchandise for Resale (53027) + \$19,000 associated with expanded concessions in 2023.

Capital outlay - The Five-year Capital Plan 2023-2027 for this fund is on page 323 and will be discussed in detail at the budget hearing. Capital Projects change from year to year and are generally not comparable, however, with that being stated there is a decrease of \$335,000 associated with reduced fund balance / available resources, as some capital items have been shifted to the Recreation Levy Fund.

Ms. Sara Kline, Parks and Recreation Superintendent, was present on behalf of the Parks and Recreation Department. Ms. Kline stated that there are many things that the Parks Department does that does not fall under the traditional definition of Parks and Recreation and that make the community a better place like pollinator programs, working on the Public Art Program, and working with school districts on adaptive programming. They are being honored statewide for that program. They also coordinate with the Police Department with wellness and recreation opportunities.

Ms. Nichols-Rhodes stated that, every year, things are more amazing. The Fall Fest at Waterworks was phenomenal. She congratulated Ms. Kline for being honored with the statewide award.

Mr. Gorbach stated that it is touching to hear about all the things that are done with individuals and the mentoring and the care given to members of the community that really need help.

Mr. Stams stated that he has worked with the Cleveland Browns and their adaptive football league for the past 10 years, and he would be happy to assist her in partnering there or to connect there to further their inclusion efforts. Ms. Kline stated that she did not know that, and thanked Mr. Stams for his offer of help.

Mr. Bryan Hoffman, Finance Director, gave a brief synopsis concerning the Leisure Time Fund.

Mr. Balthis stated that the Natatorium is just an incredible facility, but it is also a facility that is aging. There are a lot of capital improvements. With COVID, these facilities took a hit. Hopefully, they will have an opportunity to rebrand and remarket and grow and succeed.

Ms. Kline stated that they have a large market in the Silver Sneakers space and have a lot of people who hold those memberships but do not necessarily use them. Every time someone swipes in, they get paid, but they do not get paid if they do not come. Silver Sneakers is at no cost to the senior citizen that holds that membership, but it is everything to them when they come and swipe. They

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would ask Council to spread the message that it is free to senior citizens that have the Silver Sneakers opportunity. That is a lot of money that they used to have every month. They are slowly and surely trying to recapture that. That has been a contingent that has been less enthusiastic about coming to a crowded place.

Mr. James asked if the reference on page 312, Under Recreation Levy Funds Infrastructure, Outdoor Field Renovations is going to include improvements to backstops and the benches not only for the players, but also for the spectator benches. Kennedy Park is the home of the CFABA. He would like that area to shine. Ms. Kline stated that those funds are going to be dedicated to Kennedy Park.

Mr. Stams stated that he cannot think of another community that does with Cuyahoga Falls does with its Parks and Recreation. The Natatorium is outstanding and means more to people and the games mean more to the kids than just who wins and who loses. It is a social gathering. When there were reduced hours with the Natatorium, people were not upset because they could not work out; they were upset because they could not spend time together with their friends and be part of the social gathering, which, in today's world, is especially important to their mental health and their physical health. It is a wonderful facility, not just at the Natatorium, but the ballparks and Brookledge.

Mr. Gorbach moved to bring out Temp. Ord. A-121 with a favorable recommendation, second by Ms. Nichols-Rhodes . Motion passed (2-0).

The meeting adjourned at 8:26 p.m.