

**Cuyahoga Falls City Council
Minutes of the Finance Committee Meeting
September 6, 2011**

Members: Kathy Hummel, Chair
Don Walters
Carol Klinger

Mrs. Hummel called the meeting to order at 6:35 p.m. All members were present.

The minutes from the July 18, 2011 Committee meeting were approved as submitted.

Legislation Discussed:

Temp. Ord. B-79

Sub. Temp. Ord. B-80

Temp. Ord. B-83

Discussion

Temp. Ord. B-79

An ordinance authorizing the Mayor to enter into a contract without competitive bidding with Summa Health System, Inc. for the equal value exchange of certain personal property no longer needed for municipal purposes, and to dispose of other obsolete personal property, and declaring an emergency.

Capt. Davis stated that Summa has an actual police force and will be providing training. The City's Police Department has bikes that are in need to repair and has lost an officer that was trained on bike patrol so they are donating bikes. This will be helping another department and, in return, Summa will provide training to City officers for free. There is not a specific number of hours. It will basically be whenever Summa has something that officers want to train on. As far as the vests, they have out-served their purpose for the City's officers but there are other departments who have nothing so this will be helping towards regionalization.

Mrs. Klinger moved to bring out B-79 with a favorable recommendation, second by Mr. Walters. Motion passed (3-0).

Sub. Temp. Ord. B-80 (dated 9/6/11)

An ordinance amending Section 923.03 of Title Five, Part Nine of the Codified Ordinances, relating to free water accounts, and declaring an emergency.

Mrs. Hummel stated this was what Council talked about when it discussed free water for the library and public schools within the City. Language has been inserted that will require these accounts to pay for any water they use for sprinkling or commercial purposes. She had requested the language change in line 12. Mr. Janis stated the legislation is revised to provide for free water to the library and public schools that is used for human consumption. It is not to be used for landscaping, irrigation or recreation. Any of the institutions that do not already have a separate meter for these purposes will have 180 days to get one installed with the cost to be borne by the account holder. Mrs. Carr added that the Water Department has meters and will timely install them, if requested. Mrs. Hummel thanked everyone for their patience for the lengthy discussions on this topic.

Mr. Walters moved to bring out B-80 with a favorable recommendation, second by Mrs. Klinger. Motion passed (3-0).

Temp. Ord. B-83

An ordinance providing for the issuance and sale of bonds in the maximum principal amount of \$3,300,000

to refund at a lower interest cost certain of the City's outstanding Various Purpose Bonds, Series 2001 which were issued for the purpose of (i) installing new iron filters and otherwise improving the City's water plant and (ii) improving the municipal waterworks system in the high pressure water district; authorizing execution and delivery of a bond registrar agreement and bond purchase agreement with respect to the refunding bonds and an escrow agreement with respect to the refunding of the outstanding bonds, and related matters; and declaring an emergency.

Mr. Brodzinski stated the City can take advantage of historical interest rates to issue new bonds. The bonds will run from 2012-2021 and will save approximately \$331,000 over the remaining life of the bonds. The present net savings would be \$294,000. The \$98,000 for cost of issuance and underwriter's discount for selling the bonds has already been factored into the cost. Mrs. Hummel commented that the legal fees were higher on these bonds than ones issued in the summer and asked whether more work was involved. Mr. Brodzinski stated it is just a ballpark estimate and includes a guarantee against being sued. He added that the City paid down \$2 million in gross principal.

Mrs. Klinger moved to bring out B-83 with a favorable recommendation, second by Mr. Walters. Motion passed (3-0).

Mrs. Hummel asked about some items in the Board of Control minutes for Community Development. She asked about the study that is listed that the City paid \$6,000 for at the end of June. Mrs. Truby stated it was related to the State Road project known as Nikki's Walk to look at the pricing of the type of units and who the market would be directed towards. The reason the City paid for the study is because the study can be used for other projects in the City. The study was just completed, and she will provide Council with a copy when it is available.

Mrs. Hummel's other question was a rehabilitation loan dated June 27 for \$96,400 for garage lighting on Portage Trail. She assumed that was a CDGB loan. Mrs. Truby stated that, based on the City's energy grant, it was a loan to an existing property owner to upgrade the lighting in the property's parking garages, which is a more efficient lighting project. It is part of the efficiency loan the City received. The location is the apartments at the top of Portage Trail.

Mrs. Hummel asked Mr. Brodzinski to comment on Report 21. Mr. Brodzinski indicated that not much has changed since the last report. The payment received for Local Government Funds was for June activity. This year, the City is looking at a \$31,000 decrease vs. the budget. The big hit will be next year for \$670,000. He commented about the article in the paper regarding real estate. There will be a \$620,000 to \$630,000 decrease next year. The two years that follow will be flat, which is \$1.8 million over three years. State law does not allow foreclosed homes to enter into the mix, however, Summit County is pushing for them to be included. If they are, that will be another \$600,000+ in losses. For Commercial Activity Tax, we will see \$550,000 but the CAT will be complete eliminated in 2014, 2015, 2016, and 2017. The Nat revenue is down approximately \$14,000 year-to-date but expenses are also down. Also, Waterworks is up but the golf course is down compared to last year. Mrs. Hummel stated there are solid numbers now for half the year. She asked if the City was on target with costs and, in particular, with personnel. Mr. Brodzinski stated the City is actually trending down. He is waiting for the August numbers and has asked all departments for their best estimates for the remainder of the year so he can use them to forecast 2012 and 2013.

The Committee meeting adjourned at 6:55 p.m.