

Minutes of the Finance Committee of Stow City Council Meeting held on Thursday, April 11, 2019, at 5:43 p.m.

Committee Members Present: D'Antonio, Rasor & Lowdermilk

Committee Members Absent: Adaska

Other Council Members Present: Costello, Harrison & Riehl

City Officials Present: Mayor Pribonic, Director of Planning & Development Kurtz, Finance Director Baranek, Director of Budget & Management Earle, Chief of Staff/Service Director Wren, City Engineer McCleary, Police Chief Film, Fire Chief Stone, Economic Development Coordinator Trenner, Assistant Law Director Chaplin, Manager of Information Systems Germano, Parks & Recreation Director Nahrstedt & Clerk of Council Emahiser

Call to Order

Mr. D'Antonio called the meeting to order.

Approval of Minutes

MOTION:

Mr. Lowdermilk moved and Mr. Rasor seconded to approve the Finance Committee Meeting Minutes of March 18, 2019 as circulated.

Yes Votes: D'Antonio, Rasor & Lowdermilk

No Votes: None. The motion carried.

Budget/Financial Reports

MOTION:

Mr. Lowdermilk moved and Mr. Rasor seconded to acknowledge receipt of and approve the Budget/Financial Report dated April 1, 2019 as circulated.

Yes Votes: D'Antonio, Razor & Lowdermilk

No Votes: None. The motion carried.

Business Items

Allocation of 2017 & 2018 Income Tax Proceeds

Mr. Earle stated this ordinance allocates the proceeds for the increased rate of taxation when the income tax was increased from 1.5% to 2% effective in 1990.

They had had a separate fund for the increase so it was easy to identify the specific purposes for which the tax increase was spent. The Auditors said that they had to have the whole thing in the general fund and allocate it out from there.

Since they did that, they couldn't identify easily the purposes for which the additional rate of taxation was allocated, so they have done it by ordinance since then although not required.

That's what this ordinance does. It takes that additional amount of approximately \$4,000,000/year and shows how they allocated it and spent it in the budget for the past two years.

MOTION:

Mr. Razor moved and Mr. D'Antonio seconded to assign a number to the sample legislation and send it on to Council.

Yes Votes: D'Antonio, Razor & Lowdermilk

No Votes: None. The motion carried.

Mr. D'Antonio stated this item would appear on tonight's Legislative Agenda.

Authorize Hiring – One Full-time Communications Specialist/Dispatcher

Chief Film stated that the City currently has 13 full-time Dispatchers. They were authorized to have 14. They have a part-time Dispatcher that is doing a very good job. They are requesting authorization to make her full-time to go up to full staff.

Mr. Lowdermilk asked if it was the Chief's intent just to bring on one more full-time versus replacing a part-time or would he be looking to replace that one too? Chief Film stated they were right in the middle of hiring part-timers and a full-timer. He would be back in two weeks.

Once this position is filled, he had a full-time Dispatcher seeking to go back to part-time for personal reasons. So he would be coming back to Council in two weeks to ask for an additional full-time position when he goes back down to 13. They are in the middle of the hiring process for background investigations and panel interviews for both full-time and part-time.

MOTION:

Mr. Lowdermilk moved and Mr. Rasor seconded to recommend to Council the hiring of one (1) full-time Communications Specialist/Dispatcher in the Police Department.

Yes Votes: D'Antonio, Rasor & Lowdermilk

No Votes: None. The motion carried.

Mr. D'Antonio stated this item would be introduced in motion form at tonight's Council Meeting.

Amendment to the General Payroll Ordinance – Section 4.05 - Uniform Allowance - Chief of Police, Police Captain, Chief of Fire and Assistant Fire Chief

Chief Film requested an increase for the Fire Chief, Police Chief, the Assistant Fire Chief and the Police Captains uniform allowances from \$1,134.00, which used to match the union's contract in 2008, to \$1,359.00. This would match the current union contract for uniform allowances.

Mr. Lowdermilk asked if the uniform allowance was set for the length of the contract or was there an increase each year? Mr. Earle stated there hasn't been an increase for a number of years and there is no increase in the new contract for the annual allowance.

MOTION:

Mr. Lowdermilk moved and Mr. Rasor seconded to assign a number to the sample legislation and send it on to Council.

Yes Votes: D'Antonio, Rasor & Lowdermilk

No Votes: None. The motion carried.

Mr. D'Antonio stated this item would appear on tonight's Legislative Agenda.

CRA Tax Incentive Agreement – J & E Development Corporation

Mr. Trenner stated this was a request by J & E Development Corporation for Council's approval of a Community Reinvestment Area Tax Incentive Agreement for the

construction of a 102,000 sq. ft. industrial building on Allen Road just north of the existing Centimark Building on Allen Road. It's also owned by J & E Development.

J & E also owns approximately 80 acres of land in the immediate area. They most recently constructed a building Plus Mart Flooring in 2016 on Alpha Parkway.

J & E Development is proposing to construct this industrial building on a speculative basis. The building would be able to accommodate multiple tenants.

They are requesting a 100% exemption for 15 years on the increase in property taxes resulting from the construction of this new building.

J & E Development will invest \$5.9 million in this new building. They will commit to create 60 new jobs with an annual payroll of \$2 million after the third year of the agreement.

These employment and payroll commitments are in-place for the life of the agreement. This new payroll will result in \$40,000 of new payroll taxes annually for the City of Stow.

Also as part of this agreement, J & E Development will make an annual school district compensation payment that will provide the school district with an estimated payment of \$46,000.

J & E Development will save an estimated \$98,000 on the annual property taxes, which represents a 68% savings on the overall tax bill.

MOTION:

Mr. Razor moved and Mr. Lowdermilk seconded to assign a number to the sample legislation and send it on to Council.

Yes Votes: D'Antonio, Razor & Lowdermilk

No Votes: None. The motion carried.

Mr. D'Antonio stated this item would appear on tonight's Legislative Agenda.

Authorize Three-Year Contract – Info-Tech Research Group – IT Training & Support

Mr. Germano stated that Info-Tech is a research and consulting firm. The City uses them as a resource.

Last year they walked them thru the process of evaluating their Disaster Recovery Plan and made suggestions to improve that. This year they were using them to focus on some security issues.

The normal cost of the contract is \$7,000/year, but by agreeing to a three-year contract they received discounts in years one and two.

Mr. Lowdermilk asked if there would be a contract that was more-or-less a retainer and then there would be additional contracts for certain things or would the contract cover everything that they need?

Mr. Germano stated that the City purchased a package. The contract would cover everything in their package. There are services that they offer that they have chosen not to buy. If they want to buy them, they would have to pay more. However, he thought this was more than adequate for their purposes.

Mr. Lowdermilk asked if they had everything in that package that they perceived? Mr. Germano stated it was everything.

For example, for the next item they were going to talk about they wanted to do something with their firewalls. So they went to this company and they gave them a lot of research of various firewalls that are available.

They weren't selling them anything or vested in any one project, so it was a good place for them to go to get a good recommendation for the next step kind of thing. This is the total cost. It would not grow from here.

MOTION:

Mr. Lowdermilk moved and Mr. Rasor seconded to authorize the expenditure of an amount not to exceed \$19,200.00 with Info-Tech Research Group for IT Management and Strategy, training and development and other research and support.

Yes Votes: D'Antonio, Rasor & Lowdermilk

No Votes: None. The motion carried.

Authorize Expenditures – Centerlink Technologies, LLC – Firewalls – City Hall & Safety Building

Mr. Germano stated as they tried to improve their security at City Hall, they have decided to replace their existing firewall. That would accomplish two things. First of all, they would be buying what they believe to be a better and more easily maintained firewall. Secondly, they would be buying two of them.

There would be one in the Safety Building and one at City Hall. They could take one down for maintenance and still have a functional firewall between them and the internet. They could lose one and still function on the other.

He wasn't sure which version of the letter that Council had. The first one said \$24,200. However, they had actually reduced that to \$23,000 since then.

MOTION:

Mr. Lowdermilk moved and Mr. Rasor seconded to assign a number to the sample legislation and send it on to Council.

Yes Votes: D'Antonio, Rasor & Lowdermilk

No Votes: None. The motion carried.

Mr. D'Antonio stated this item would appear on tonight's Legislative Agenda.

Adjournment

MOTION:

Mr. Rasor moved and Mr. D'Antonio seconded to adjourn.

Yes Votes: D'Antonio, Rasor & Lowdermilk

No Votes: None. The motion carried.

The meeting adjourned at 5:53 p.m.

Bonnie J. Emahiser
Clerk of Council

Brian Lowdermilk
Chairman