



**FINANCE COMMITTEE
MONDAY MARCH 16, 2015**

COMMITTEE MEETING:

**PLACE: COUNCIL CHAMBERS
7232 E. MAIN ST, REYNOLDBURG, OH 43068**

1. Call to Order

Finance Committee Meeting Called to order by Chairman Barth Cotner at 7:43 PM.

PRESENT: Barrett, Kelly, McGrady III, Clemens, Cotner, Long, Skinner, Joseph

ABSENT:

2. Approval of Agenda

Agenda Stands Approved

3. Approval of Minutes

1. Finance Committee - Committee Meeting - Mar 2, 2015 7:30 PM

Minutes Stand Approved

4. Discussion

1. Planning Commission Appointments

Mr. Cotner: Now, I think everybody should have received in their packets the 2 letters and resumes of interest that we have. I'm of the opinion that we need to go ahead and move forward with this. We've said it and said it, if someone is comfortable with moving it forward tonight with a motion on one of these, or if we want to at the next Committee meeting set that as our deadline.. Does anybody have feelings one way or the other on things?

Mr. McGrady: Want to move it to the Committee?

Mr. Cotner: To Council you mean. If we're ready to move one of the names forward. We've got 2 names, again I don't know if there are feelings about that... Whether they want to hold it one more Committee meeting before we send a name forward or if you want to send a name forward. So we've never really set a firm deadline but I think we need to get moving forward.

Mr. Joseph: I was just going to point out that we have a 5th Monday this month so that would delay it one additional week, so I would suggest that unless there is opposition, we do something tonight.

Mr. Cotner: Like I said, I'm fine if we move something on.

Mr. Long: I agree with you, I would like to make a Motion that we appoint Leigh Owens-Parker to the Planning Commission.

Mr. Skinner Seconded.

Mr. Cotner: So we have a Motion by Councilman Long, along with a second by Councilman Skinner, any further discussion on this?

Mr. Barrett: Have you met her? Or... Just wondering whether..

Mr. Long: No, I just read her resume.

Mr. Hood: When you take up the appointment next week, you have the right and the ability to move to executive session because you're talking about the appointment of a City official. We do that sometimes for Director level employees normally. If there are those that its nothing but a simple introduction or an are you still interested type of thing, but collectively, if you want to speak to this person, we need to do it in a public forum, but you do have the right to move to executive session to discuss those things with her, it's one of those limited times you can move to executive session if that is something that the Council thinks is necessary or appropriate.

Mr. Cotner: Thank you sir. That is something we could easily do next week if we want to, again, is there...

Mr. Skinner: We could also invite these folks maybe April if you wouldn't mind reaching out to them, extending and invitation for them to come and when it comes up on the agenda we can say hi to them or something like that.

Mr. Long: So you're proposing that we hold this until next week.

Mr. Joseph: No, we would move forward with it. It would be on the agenda, and then there could be an executive session if necessary, if desired.

Mr. Cotner: Then there could still be a vote up or down on that person.

Mr. Clemens: I'd just be interested in one thing, if anybody has ever attended one of our meetings. To me that's an interesting thing coming forth to be appointed. I know it's hard to get people, I'm not saying we should decide it that way, but I wish people would come and watch what goes on and understand what the position is.

Mr. McGrady: Since we're going to hold executive session next week for these 2 candidates to move forward, so do we need to withdraw that motion?

Mr. Joseph: No we would not need to do so, in fact, if they decide they can't even be here, there probably wouldn't even be an executive session. That would be determined between now and next week.

Mr. Cotner: Like I said, I'm fine if that's what Council wants to do, we can put a name forward I mean, I know Mr. McKenzie comes every week so I know there's interest there but if we want to move forward with the name of Leigh Owens-Parker we could do that too.

Mr. Joseph: The other thing we could do is move forward without naming a name and that could be determined next week. That could be done as well, if during the week additional information is brought forward and the consensus is to go one direction vs another, that could be done as well.

Mr. Cotner: So just move an appointment forward with no name, and just invite..

Mr. President: The motion next week would have the name.

Mr. Cotner: Then that way we could get it done next week, everybody would be comfortable with which one of these 2 people that we've got. So the problem I guess now, just to clarify is that we already have a motion and a second for a specific name, so do we need to vote that one up and down?

Mr. Long: I believe I have the right to withdraw my Motion. And I so move.

Mr. Cotner: So I make a motion to move this forward to Council for appointment with an un-named candidate. Also with that, we'll just make the point that we're pretty well settled that we've got names, if anybody does though have a name they want to submit, we can review that this week. I encourage Council to discuss with these 2 folks their interest.

RESULT:	REFERRED TO COUNCIL [UNANIMOUS]	Next: 3/28/2015 9:00 AM
MOVER:	Barth R. Cotner, At Large	
SECONDER:	Leslie Kelly, Ward II	
AYES:	Barrett, Kelly, McGrady III, Clemens, Cotner, Long, Skinner	

2. **ORDINANCE** Repealing and Replacing Ordinance No. 90-14 Passed November 24, 2014 Which Read “**ORDINANCE SETTING THE RATES FOR SOLID WASTE SERVICES FOR RESIDENTS FOR THE YEARS 2015 THROUGH 2017AND DECLARING AN EMERGENCY.**”

Mr. Harris: Normally when we come to talk to you about water rates or sewer rates or solid waste rates, its to raise them. This one is to lower them. One of the things that has happened since the fall of last year when we got the contract, as I'm sure you're all aware, gasoline prices have plummeted and today oil prices on the NYSE was down to \$43.00 which is the lowest it has been in 8 years. With that we have seen a drop in what we're paying Rumpke because part of what they're billing us is based on the price of diesel fuel. So what we're asking is for you to take the current \$17.79 for a regular and drop it to \$16.19 a month and the senior from \$16.29 to \$14.82.

Mr. Cotner: Not very often we get to reduce.

Mr. Harris: The only thing that obviously there are 2 things that would change, that's the other variable factor in the contract is, the tip rates at the SWACO land fill, those were just raised major, about 3 years ago. I have not heard anything from them that they're planning any kind of additional increase, so, I think this is something that will stick. We're not asking for it to change over the 3 years, but if we do get into a situation where either gasoline or the diesel prices go up, or tip fees would go up, we would have to come back and ask that this be adjusted again.

Mr. Cotner: Any questions? Can we do this as an emergency?

Mr. Harris: I have to have it available so it can be effective by June 1. If there's no, if you see a reason to discuss it further, you can wait a couple of weeks, but if you want to go ahead and pass it ,that's fine too.

Mr. Cotner: I don't see any reason to..

Mr. McGrady: I was just going to go ahead and make a motion that we go ahead and pass it as an emergency.

RESULT:	REFERRED TO COUNCIL [UNANIMOUS]	Next: 3/28/2015 9:00 AM
MOVER:	Cornelius McGrady III, Ward III	
SECONDER:	Dan Skinner, At Large	
AYES:	Barrett, Kelly, McGrady III, Clemens, Cotner, Long, Skinner	

3. Ordinance Requesting Council Appropriate \$19,644.00 from the Unappropriated General Fund to Computer Department- Miscellaneous Contract Services, and Declaring it an Emergency.

Mr. Harris: Thank you Chairman Cotner, members of Council. For the last three or four years, the state has had us work on a disaster recovery plan and what that is, is if something were to happen to the police building where the servers are or the servers themselves were to become destroyed in a fire or whatever, what would we do. What this disaster recovery plan would do is, this data would be saved overnight at an off-site secure location that we would be able to retrieve it when we got computers and then we could go on with business. Most people in the private sector have that, many cities have done this or are in the process of doing it now. But we are ready except for the cost of the storage of this on a secure server outside of this building and outside of the City of Reynoldsburg. So what we are asking for is an appropriation of \$19,644.00 to his Miscellaneous Contract Services to contract with an offsite location for holding this data. Now I would like to make it clear that this is not just the data from my server, but it's also the data from the Police Department and the Clerk of Courts which we would also not like to lose if something were to happen. So we're asking, and Scott is here in case you have questions as to what the money is for and any of the technical questions he'd certainly be able to answer that. But that's what it's for, that if

something were to happen to this building, we would be able to recover the data and move on our merry way. I could start writing checks and pay all of you.

Mr. Cotner: Where are we right now with back up? Do we store it all on site and that's it?

Mr. Teeters: Currently with our servers, we have everything backed up here, we have the financial data which is backed up offsite with New World Systems we have 3 days backed up with them. But everything right now is onsite back up. So this disaster recovery plan would allow us to have all of that off site should something happen to those facilities at this location.

Mr. Long: Is New World currently charging us to do that?

Mr. Teeters: They do not. But we are limited to 3 days. The facility would allow us to have much further reach into our back ups.

Mr. Long: You mentioned here in your write up that the moneys are being appropriated for set-up and storage, is there a portion of that \$19,644.00 that we'll pay this year but we won't have next year so what is our rate going to be each year going forward?

Mr. Teeters: The set-up fee is for set up and installation for this year. Future years will be \$18,144.00. So \$1200-\$1500 for set up/installation fees.

Mr. Barrett: So, we currently have 3 days back up that's all we have access to right?

Mr. Teeters: Financial.

Mr. Harris: Part of this also, once we have it backed up, we have to test it a couple of times.

Mr. Barrett: Is the cost based on gigabytes, terabytes?

Mr. Teeters: A couple of years ago, I came to you asking for money to purchase our new servers, the old servers are being used for this disaster recovery program. That hardware is what we are locating off site. So the hardware costs on this are going to be very minimal. We have to upgrade a couple of things and the majority of the cost is going to be the transmission between the 2 buildings, a high speed network as well as data, power and redundancy on networking power at that location so that is the primary fees there. We're saving quite a bit of money on having our own hardware there. We could have had it hosted and had a lot fewer headaches, but the costs would have doubled-tripled.

Mr. Barrett: Still seems a bit pricey. Did we look at other, do competitive bidding on this or anything like that?

Mr. Teeters: I did price between vendors. We did not do a bid for this but did get quotes.

Mr. Barrett: They were consistent?

Mr. Teeters: Yeah. Unfortunately it's not a cheap practice.

Mr. Barrett: So you couldn't use a junk drive.

Mr. Teeters: No.

Mr. Harris: The court data goes back...

Mr. Barrett: How long do we have to keep it. Do we keep it for a certain amount of time?

Mr. Harris: For example, employment records, I have to keep them until the person dies and the estate would have no way to come back upon the city or PERS.

Mr. Hood: Most of the court data, some if it's compressed, but a lot of it we have unlimited retention on. We have worked in my office to lower them, but with all of the look backs on prior convictions, they are useful and they've certainly helped in the past prosecute re-offenders so they are valuable to keep.

Mr. Barrett: So the service we're buying is the transmission of data back and forth, but its back to our servers that will be located off site so there is no insurance really as far as if those servers fail, that's on us?

Mr. Teeters: If the hardware fails, that is part of our maintenance, that is us. What we're buying is the pathway, the transmission, as well as the facility which is a secure facility, locked with redundant network, redundant power.

Mr. Barrett: thank you, I am clear. Thank you.

RESULT:	REFERRED TO COUNCIL [6 TO 0]	Next: 3/28/2015 9:00 AM
MOVER:	Barth R. Cotner, At Large	
SECONDER:	Scott A. Barrett, Ward I	
AYES:	Barrett, Kelly, McGrady III, Cotner, Long, Skinner	
RECUSED:	Clemens	

4. ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR TO ENTER INTO LEASE AGREEMENT DOCUMENT SOLUTIONS FOR COPIER FOR MUNICIPAL BUILDING AND DECLARING AN EMERGENCY.--- Cotner. Finance.

Mr. Burd: Thank you Chairman Cotner, members of Council. This item will allow us to enter into contract with Document Solutions to replace 2 copiers in the building. This is also something where we're seeing a little bit of a reduction in price, we'll be paying \$130 a month less under the new agreement. This item is marked as an emergency for passage next week because the pricing you received is only good through April 1st. So we would like to lock this in and we'd like to have it passed next week. This copier is, I call it April's copier, but it's the one downstairs across from her office as well as the large machine that all departments use upstairs. So if you have any questions I will try to answer them.

RESULT:	REFERRED TO COUNCIL [UNANIMOUS]	Next: 3/28/2015 9:00 AM
MOVER:	Barth R. Cotner, At Large	
SECONDER:	Mel Clemens, Ward IV	
AYES:	Barrett, Kelly, McGrady III, Clemens, Cotner, Long, Skinner	

5. ORDINANCE TO AMEND THE CODE OF ORDINANCES OF THE CITY OF REYNOLDSBURG, OHIO: SECTION 160.02 "AUTHORIZED POSITIONS, PERSONNEL, CLASSIFICATION AND PAY GRADE" Subsection (G) "Service Department", Subsection (3) "Water/Wastewater Division"; of CHAPTER 160 EMPLOYEE COMPENSATION, AND DECLARING AN EMERGENCY.--- Cotner. Finance.

Mr. Root: Thank you Chairman Cotner, members of Council. Good evening again. This is the 160 changes I talked about earlier. We're going to remove the meter reader from 160 and add the billing clerk position. One of the duties that the billing clerk will have is that the Auditor's office is taking over the check scanning so they put all of the mail in a drop box and we are going to add a second check scanner and then have this personnel do the checks manually as well which is another step towards monthly billing as well. I am asking for an emergency to pass next week. By the time we post, interview, we're still a month out so I'd like to move forward with this.

Mr. Clemens: What did you say the pay would be?

Mr. Root: It's going to be a budget neutral.. the current position is at \$36,813.00 we're looking at a budget of \$35-36,000.

Mr. Clemens: That doesn't count benefits though?

Mr. Root: No.

Mr. Clemens: That's one thing when your saving by going to meter reading, your saving on our benefits by not paying it.

Mr. Root: Correct and once we go to monthly billing we would need 2 or 3 other personnel if we're going to keep it in house.

Mr. McGrady: What's the projected cost of those individuals or have you made that determination yet?

Mr. Root: Other positions?

Mr. McGrady: You made reference to other, you'd have to bring some other folks in house?

Mr. Root: Well if we can go with meter reader companies to read the meters, when we went to monthly billing, we would have to add more personnel with a pay range of about \$35,000,

you're going to need more people to read the meters. Where this company is going to read them, no benefits.

Mr. Cotner: I know we've talked about it, it seems as long as I've been on Council, how long have we been talking about monthly billing on the water bills?

Mr. Root: Its not a one step process, there is a lot that goes into this that most people don't realize. We're going to have to change a lot of our Ordinances, and a lot of it is trying to get it transitioned. When do you find that start date, you're going to have to end extensions, end door hangers, we're going to change a lot of different things which will save some money but also add some money and now we're sending out 12,000 bills a month. And then what is the response of the people coming in? We've set up online payments and we're getting a good response on that, but we still have a lot of people that like to come in in person and pay. So I think it is something that is doable and its something within the next 2 years, something I'd like to see next year to launch it, but there's a lot that goes into it and then when do you stop the quarterly and go monthly. So they'll have a quarterly bill that's due and then they'll get a monthly bill and then how do you transition that in.

Mr. Cotner: Are most other communities doing monthly bills? How is that handled in the central Ohio area?

Mr. Root: I'm using Gahanna as another example. They spent all this money, they've got the technology to be able to read all of the meters from inside the billing office and they're working towards monthly billing, but they're still not to the point yet, just because of the unknowns. Once they've started you cant' go back.

Mr. Harris: One of the other problems that we're dealing with getting this ready to go is, the water and sewer bills are collected in the rears. That means they use it and we bill them, they pay for it. Stormwater and solid waste is billed in the future. So, that's one of the reasons it takes three months on these solid waste fund changes is because you have 3 different billing types. So I think you will find if you look around probably still 1/3 to 1/2 of the communities other than Columbus do quarterlies because the problem is collecting 4,000 a month to 12,000 a month. Right now we get close to the due date there's a stack of checks like this --- now there's going to be a stack of checks like this -----. Those all have to be processed. So the cost to process does go up. The good news is you're not going back three months for a water bill, you're only going back one month for a water and sewer bill. So there's financial implications to get it going like he talked about with changing ordinances and that kind of thing. We're trying now, we've got, you can pay your bill pay service, you can pay through credit card on line we've looked at a number of things like lock boxes to see if those were better for us because there's a cost to processing checks too. That's not free either. So all of a sudden you're going from 2,000 checks a month to 6,000 checks a month. There's a lot of things that have to be worked out correctly and make sure the systems work so they're automatically depositing stuff, so there's still a long way to go but I think next year is possible if we get the meters going and everything works out ok, I think by sometime next year we'll be able to pull the trigger and do it.

Mr. Clemens: I think this is an important issue. It has to be done. We have a population that can't afford to pay those \$300-\$400 bills, it would be much easier for them to pay \$100 a month rather than \$300-\$400 a quarter and we don't have to keep extending them. That's a problem we've got to cancel out, we keep extending them credit and credit. But I think with the majority of our population, they'd be in favor of breaking it down month by month. I think that would give them a chance to pay their bills.

Mr. Cotner: I wasn't saying we shouldn't do it after all this time, I was just trying to get a little more where were and where we'd be. Any other questions or comments on this? Ok.

RESULT:	REFERRED TO COUNCIL [UNANIMOUS]	Next: 3/28/2015 9:00 AM
MOVER:	Barth R. Cotner, At Large	
SECONDER:	Cornelius McGrady III, Ward III	
AYES:	Barrett, Kelly, McGrady III, Clemens, Cotner, Long, Skinner	

6. Ordinance Authorizing City Auditor to Remove Equipment from the City's Fixed Asset List.

Mr. Teeters: Thank you Chairman Cotner, members of Council. We are in the IT Department, we've kept a bone yard of computers just to make sure pieces and parts we can use for upgrades and cost maintenance costs. But the bone yard has not been touched in quite a long time and as we went through that and strip out hard drives in preparation for recycling, we came across a list of computers that still had the red asset tags. Those are from the Auditor's department and anything over \$1000. I'm coming to you tonight to have them removed from the asset list so I can proceed in recycling them and getting them off of our books completely.

Mr. Cotner: They don't have any real value any more then?

Mr. Teeters: These don't have any real value anymore. We are stripping the hard drives to be destroyed, we have also removed any DVD or CD burners which may have some future value as well in our current systems but the rest of the equipment is so outdated that a boat anchor would be a nice term.

Mr. Joseph: When you say they're destroyed in house, what's the process?

Mr. Teeters: The process is if we're re-using the hard drive, we'd go ahead and re-format it-wipe it in house and then put it into one of our own computers. If it is to be outside of our city of Police Department it is destroyed whether it's shredded, disassembled, it is no longer useable the platters are irrecoverable.

Mr. Cotner: Anyone else with questions on this? Is this something we're doing as an emergency?

Mr. Teeters: These have been sitting in my office for 2 years now, I don't think an emergency... if you did YES.. I can get them out of there sooner, but it's not a requirement.

Mr. Cotner: Ok, then there is no reason for an emergency right now.

RESULT:	REFERRED TO COUNCIL [UNANIMOUS]	Next: 3/28/2015 9:00 AM
MOVER:	Barth R. Cotner, At Large	
SECONDER:	Chris Long, At Large	
AYES:	Barrett, Kelly, McGrady III, Clemens, Cotner, Long, Skinner	

5. Adjourn

Chairman Cotner Closed the Finance Committee Meeting at 8:11 PM.