

Village of Gates Mills
MINUTES OF A REGULAR MEETING OF COUNCIL
July 11, 2017

A regular meeting of the Council of the Village of Gates Mills, Ohio was held on Tuesday, July 11 at 6:00 p.m. in the Village Hall.

Councilmembers present: AuWerter, Frankel, Sogg, Turner, Welsh, Whitney.

It was moved by Councilmember Whitney, seconded by Councilmember AuWerter, that Councilmember Reynolds be excused from the meeting.

Roll call: Ayes: AuWerter, Frankel, Sogg, Turner, Welsh, Whitney.
 Nays: None.
 Motion carried.

Mayor Schneider advised that Nicole Sweet from NOPEC was in attendance. Ms. Sweet presented Council with a big check symbolizing the \$5,000 grant the Village received. She advised that in November, NOPEC plans to announce a new round of grants and hopes to open up a new round of grants every three years. She expressed her understanding that the Village used this grant for the purchase of an energy saving commercial dishwasher for its Community House. A photo was taken with Ms. Sweet and members of Council.

The minutes of the June 13, 2017 Council meeting were presented by the Clerk. It was moved by Councilmember Whitney, seconded by Councilmember Turner, that the minutes be approved.

Roll call: Ayes: AuWerter, Frankel, Sogg, Turner, Welsh, Whitney.
 Nays: None.
 Motion carried.

Pay Ordinance #1203 in the amount of \$467,506.53 was presented by the Clerk.

It was moved by Councilmember Welsh, seconded by Councilmember Sogg, that Pay Ordinance #1203 be approved.

Roll call: Ayes: AuWerter, Frankel, Sogg, Turner, Welsh, Whitney.
 Nays: None.
 Motion carried.

In response to Councilmember AuWerter's question, Finance Administrator Mulh explained the \$5,000 payment to Bass Energy was for the lease renegotiation on the Hayes property.

Councilmember Whitney provided an overview of the financial statement previously provided by Treasurer Reynolds for the period ending June 30, 2017. She shared the following:

- Total Revenues are slightly ahead of last year and are on pace to be ahead of budget. She added that municipal income tax revenues are catching up;
- Operating Expenses are at or below this time last year and generally look to be at or below budget;
- Total Fund Balance is \$151,535 above this time last year; and
- The Investment Committee met multiple times to view presentations from Investment Management firms and after discussion and analysis, the Committee arrived at a recommendation for Council.

Councilmember AuWerter referring to the Bass Energy payment asked if such funds should be paid out of the Land Conservancy Fund. Finance Administrator Mulh confirmed payment was made from the General Fund (Other Legal). After discussion, Council agreed that Finance Administrator Mulh should do an expense adjustment. Resolution for the reimbursement will be on the August Council Agenda.

Mayor Schneider opined that the Fourth of July parade was fabulous and that the Village looked great. She added that she has received positive comments with regard to the new police bike patrol. She then remarked on an international students program (CISV HumanKind Village) that CISV representative told her and Finance Administrator Mulh about. She provided a brief overview – including that participants are from 11 different countries – and encouraged promotion of the same. Finance Administrator Mulh said CISV hosts the program every three years.

Clerk's report. None.

Councilmember Turner introduced Resident Mark Moran and advised that Mr. Moran has a background in finance and business administration, is retired and is interested in getting involved in the Village.

Councilmember Turner then advised that Positively Gates Mills recently hosted a presentation regarding historic designation. In addition, interviews with Service Director Biggert and Councilmember Sogg are planned regarding the Certified Local Government program as well as the International Property Maintenance Code in an effort to learn more about each and to keep the community informed. She noted that Positively Gates Mills has a meeting scheduled tomorrow.

On behalf of the Investment Committee, Councilmember Whitney provided a reminder of its members and shared that after much discussion and consideration, the Committee recommends to Council that Alliance Bernstein serve as the Village's Investment Advisor. Councilmember Whitney said the Committee met with four very capable firms. She explained that Alliance's strategy is investing most assets in municipal bonds with a small portion in treasury bills and that it takes advantage of timing for optimal return. She further stated that the fees are large for the Village's account size, however, projected returns are higher than the other three firms interviewed. She then stated that Finance Administrator Mulh will address cash flow requirements to decide on the amount to be invested. Councilmember Whitney informed that the current interest income figure is approximately \$17,000 a year. The potential from Alliance

Bernstein's presentation indicated it could increase to over \$100,000 a year. If Council decides to move ahead with Alliance Bernstein, the investment policy would need to be revised to include the capability to purchase municipal bonds for places in addition to Ohio. Councilmember Frankel asked what the projected percent of return is. Councilmember AuWerter responded 3% and highlighted the other firms were 2%. Councilmember AuWerter said the other firms find a bond and stick with it until maturity, whereas Alliance Bernstein is constantly trading – with minimal risk – offering a potentially higher projection. Mayor Schneider commented that all of the presentations were very interesting. Councilmember AuWerter said that should the Village not be satisfied it can change at any time. He shared that Alliance Bernstein manages a part of Hunting Valley as well and many small accounts like ours. He further remarked that they have a large research staff. In response to Councilmember Frankel's question if Alliance Bernstein is local, it was confirmed that they have a local office but are a New York-based firm. Councilmember Sogg shared her opinion that it is an excellent firm. Law Director Hunt said he would like to see the agreement. Legislation to authorize the agreement and change the investment policy will be available at next month's Council meeting.

Police Chief Minichello provided a written report. A brief discussion took place regarding an incident wherein an individual took a wheelchair from Hillcrest Hospital. Chief Minichello advised that Hillcrest Hospital is not interested in pursuing charges. Chief Minichello then responded to Councilmember AuWerter's inquiry that next Monday is the target date to start the Violations Bureau. Councilmember Frankel then asked about the "Your 911" phone app. Chief Minichello explained that it is a new app available to Chagrin Valley Dispatch members and that further education, including a presentation, will be provided to residents. He said the app has multiple functions and noted its primary function is to provide direct access to the nearest dispatch. It is not replacing the Gates Mills direct number which is 440.423.4456. Councilmember Welsh asked if an increase in funds with the new fines system is projected. Chief Minichello responded that although estimates are uncertain, and noted there are many variables, it's anticipated it could be \$40,000 to \$50,000 a year. Mayor Schneider said the new app will require education starting with the company coming to the next Council meeting to give a presentation. Chief Minichello said it will be a good tool for the residents but will also serve as a good safety feature for the schools. He explained that if there is an active event and student or teacher uses the app, it can track their location. Councilmember Welsh asked about the installation of surveillance cameras in the Village. Chief Minichello said the department has not looked into that at this time.

Service Director Biggert provided a written report. He advised that the Village received its bid price for salt through a contract with Cargill at \$29.12 per ton. He advised that last year's price was \$29.23 per ton. Service Director Biggert said he will include the numbers in his next report. Councilmember Frankel requested that future paving on main streets not occur during rush hour. Village Engineer Courtney agreed.

Fire Chief Robinson provided a written report. He then thanked Council for the sympathy card for his mother's passing.

Resolution #2017-22 "A Resolution Approving And Adopting The Tax Budget For Fiscal Year 2018" was introduced by Councilmember Whitney. Councilmember Whitney noted

this is a bookkeeping item. Finance Administrator Mulh added that it is a formality and the need to suspend the rules is because the information needs to be turned in this week.

It was moved by Councilmember Whitney, seconded by Councilmember AuWerter, that the rules requiring ordinances to be read on three different days be suspended and that Resolution #2017-22 be placed upon its final passage.

Roll call: Ayes: AuWerter, Frankel, Sogg, Turner, Welsh, Whitney.
Nays: None.
Motion carried.

It was moved by Councilmember Whitney, seconded by Councilmember Welsh, that Resolution #2017-22 be approved.

Roll call: Ayes: AuWerter, Frankel, Sogg, Turner, Welsh, Whitney.
Nays: None.
Motion carried.

Business from the audience: none.

There being no further business, it was moved by Councilmember Welsh, seconded by Councilmember Frankel, and unanimously carried, that the council meeting be adjourned.

Roll call: Ayes: AuWerter, Frankel, Sogg, Turner, Welsh, Whitney.
Nays: None.
Motion carried.

Respectfully submitted,



Beth DeCapite, Clerk

Approved:



Karen Schneider, Mayor