

THE CITY OF STREETSBORO, OHIO
FINANCE COMMITTEE MINUTES

Monday, March 25, 2024

[Prior to the meeting K-9 Mika was sworn-in to the Streetsboro Police Department, having recently completed her state certification.]

This Finance Committee Meeting was called to order on Monday, March 25, 2024 at 7:04 p.m. by Justin Ring, Chairman. Mrs. McDaniel gave an invocation and Mayor Broska led the Pledge of Allegiance.

PRESENT: Jon Hannan, Justin Ring, Marianne Glenn, Lisa McDaniel, Jennifer Wagner, Steve Michniak

ABSENT: Anthony Lombardo

ALSO PRESENT: Glenn Broska, Mayor
David Nott, Law Director
Patricia Wain, Police Chief
Rob Reinholz, Fire Chief
Matt Miller, Finance Director
Bill Miller, Service Director
Justin Czekaj, Municipal Engineer
John Cieszkowski, Planning Director
Patrick O'Malia, Economic Development Director
Greg Mytinger, Parks and Recreation Director
Shawna Lockhart-Reese, HR Manager
Matt Coffman, IT Network Administrator
Melissa Procop, Mayor's Executive Assistant
Caroline Kremer, Clerk of Council

MOTION: TO EXCUSE MR. LOMBARDO.

Moved by Mr. Michniak, seconded by Mr. Hannan. Upon voice vote, **motion carried.**

Disposition of Minutes

None.

Monthly Financial Report

Matt Miller distributed the February financial reports by email last week. It was still pretty early in the year to notice any trends. The General Fund expenses and encumbrances were a little above target at 17% and the General Fund Overall expenses and encumbrances were about 20%; the target was 16.6%. The City had been making payments out of 401- Capital Fund and 405- City Center Development Fund in February which increased the expenses.

The General Fund revenues were looking pretty good and were above target at 18% with Overall revenues at 19%. The bank balances had remained about the same. There was about \$7.5 million in Purchase Orders right now because there were a lot of projects starting at the beginning of the year. The income tax collection was up about \$360,000 compared to this time last year. The first quarter water billing was almost done, there was one more week of collections, and it seemed to be on track at 23%.

Old Business

None.

Mr. Ring welcomed the high school students in the audience and explained the evening's proceedings to them.

New Business

Executive Session

The chair added collective bargaining to the executive session discussions and moved the executive session to the end of the Finance Committee Meeting.

Report on Community Reinvestment Area Housing Council Meeting

Mr. O'Malia explained that per the law Streetsboro had to submit a report to the State of Ohio on the current tax abatement structure. A citizen lead group, the Community Reinvestment Area Housing Council, had met recently and voted to recommend continuing all existing abatements.

T-7574 Accept Donation of Money from Aurora Plastics

This donation was to fulfill a Community Reinvestment Area Agreement requirement.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mrs. McDaniel, seconded by Mr. Hannan. Upon voice vote, **motion carried.**

T-7575 Accept Donation of Money from CDXDock, Streetsboro/Restaurant Depot

This donation was also to fulfill a Community Reinvestment Area Agreement requirement. This was a \$30,000 donation in return for a 30% abatement for 5 years.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mrs. McDaniel, seconded by Mr. Hannan. Upon voice vote, **motion carried.**

T-7572 Enact New Section 151.02 re Parks Facility Fees and Rental Policies

Mr. Mytinger understood there were still some items on this that needed discussed, but he wanted to see if it could go to first reading tonight which would give time to revise the legislation prior to second reading. Mr. Mytinger said he had met Mrs. Glenn today to discuss this and he had met with the Law Director too. The intention of the legislation was to establish park fees for the park itself and the legislation didn't make sense in certain sections as currently written; it would need a rewrite. The majority of the amounts listed as fees and rental seemed to be acceptable so those

would remain. Mr. Mytinger wanted to discuss the requirements to have contracts signed by the Mayor, the proof of insurance requirement, and the need for physical security measures after 6:00 p.m. note.

Mrs. Glenn said Mrs. McDaniel had brought up the requirement to have the Mayor sign the contracts at the last meeting and Mrs. Glenn didn't see why the Mayor had to sign these contracts, especially when the Mayor was so far away from the Parks and Recreation Offices where these contracts were handled. Mrs. Glenn asked about the current pavilion and ballfield rentals that she heard the Mayor was not signing. Mr. Ring asked the Law Director if the reason that was in the legislation was because the Mayor was the only person authorized to enter into contracts for the City by Charter. Mr. Nott said Yes, by Charter the Mayor is the signatory for all contracts, unless otherwise provided by Ordinance or Resolution. Mr. Ring said it could be included in this legislation to make Mr. Mytinger and/or the Mayor the signer of these rental contracts.

Mr. Nott commented that the requirement for insurance, which had been drafted by Paul Janis, the Assistant Law Director, would depend on what size gathering was held and what entity was renting the facility. The homeowner's insurance policy would probably cover any issues for a birthday party or wedding type event, but if a larger corporation held a meeting at the City's facilities, the City would want to make sure the City was an additional insured party in that instance. Mrs. Glenn asked if other cities requested to see the homeowner insurance policy or required commercial events to have \$1 million liability policy. Mr. Nott thought other communities had insurance provisions and indemnity provisions to cover all the bases. Mr. Ring said he had rented a lot of halls in his lifetime and had never had to provide a copy of his homeowner's policy. Mr. Mytinger said the renters did not have to provide proof of insurance to rent the pavilions currently, but if there was a large baseball or softball tournament, Streetsboro Family Days, or other large event, he did require proof of insurance. Mr. Ring thought that was fine but did not feel it was necessary for a resident who was renting a space for a family event. Mrs. Glenn agreed.

It was questioned why "physical security measures" were only needed after 6:00 p.m. Mr. Nott didn't think there was any rationale for that; that language should just come out of the Parks Facility Fees and Rental Policies. The renters would be required to have a police officer if alcohol was served according to the contract.

Mr. Mytinger noted that the cancellation process had been updated today to be clearer. Some patio rules had been added with rules for the fire pit. Mr. Mytinger would provide Council with the updated policies. He added that there may need to be further adjustments as rental events were held and unexpected things arose.

Mrs. Glenn said City Council should not need to review and approve every small adjustment that Mr. Mytinger may need to make to these policies over time. She asked how this could be allowed. Mr. Michniak agreed that Mr. Mytinger should have some leeway to run this rental program. Mr. Mytinger said he had the rules and the agreements that would be signed by the renter. The ordinance would note that these existed, but not be codified so they would not have to have every adjustment authorized by City Council. Mr. Ring didn't want to cede total control, especially over the prices. Mr. Mytinger said the legislation was written so that he would not be able to change

prices without Council authorization. Mr. Ring suggested letting Mr. Mytinger make minor policy changes, but he'd have to notify Council of the changes. Mayor Broska said it would be similar to handling "emergency purchases" where he notified Council of any emergency purchases, which gave Council the option to bring anything to a Council meeting if had concerns and felt it needed discussed.

Mr. Nott said he could write the legislation to say, "language substantially similar" or he could include "notification to Council."

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING FOR FIRST READING.

Moved by Mr. Hannan, seconded by Mrs. Glenn. Mr. Mytinger and the Law Department would work on changes to this legislation prior to second reading on April 8, 2024. Upon voice vote, **motion carried.**

Reschedule June Finance and Regular Council Packet Day

Mrs. Kremer said Council Rules required the meeting packets to be distributed 120 hours (5 days) before the meeting, so she requested permission to break that rule for the second meeting of June 2024 due to the Juneteenth holiday falling on that Wednesday prior to the meeting (the usual packet distribution day).

MOTION: TO RESCHEDULE THE JUNE FINANCE AND REGULAR COUNCIL PACKET DAY TO THURSDAY, JUNE 20, 2024.

Moved by Mrs. Glenn, seconded by Mr. Hannan. Upon voice vote, **motion carried.**

T-7576 Apply for SAFER Grant

Chief Reinholz said at the last meeting retired Chief Anderson discussed the SAFER grant. At the end of that meeting Council still wondered how the City could sustain \$400,000/year after the three-year grant period, if Streetsboro got the grant. Streetsboro did not get the grant last year. There was no charge for Chief Anderson to apply for the grant this year for Streetsboro unless Streetsboro got the grant this year, then it would be a \$1,000 reward for Chief Anderson according to his contract. After the last meeting, Matt Miller was to work out how the City might finance keeping the three firefighters after the three-year period.

Chief Reinholz felt this grant was \$1.26 million over three years to hire firefighters but this was free money for three years and three years of time to figure out how to fund the positions after the three years. He felt this was a good option and wondered what Council's solution was to hire more firefighter/medics because they were definitely needed. There was no guarantee that Streetsboro would get the SAFER grant, but the application required the City to specify what it would do to maintain these positions (use the General Fund, request a levy, etc.).

Matt Miller said he did quite a bit of work on this and tried to approach it from different angles. He said financially the City was very Capital heavy right now with a lot of building projects for

things the City had never had (Community Center, City Hall, splashpad, playground). He said while making a model he tried to make as many unknowns known, but there were quite a lot of unknowns, including the full-time firefighters 3-year union contract (2024, 2025, 2026). Seventy-five to eighty-five percent of the General Fund expenses was salary and benefits, so this unknown was quite significant. He noted that he reviewed the budget for the last five years and the distribution among departments had pretty much stayed the same over that time and he expected it would continue that way for the next couple of years. Last year when the City applied for the SAFER grant the application had indicated that the City would sustain the positions after the three-year period with a levy. He thought Council would prefer to steer away from a levy, so to fund these 3 positions out of the General Fund it would be an additional cost of around \$400,000 to \$450,000 in salary and benefits annually.

Mr. Ring understood the current budget for the next year or two was Capital heavy, but after these large-scale projects that had been envisioned for many years were completed, would the budget continue to be Capital heavy or could it shift to be more safety forces focused and shift some of the Capital Improvement money into the General Fund to increase the safety forces? Mayor Broska said there were some big road projects expected over the next three years (finish SR 43, signalize SR 14/SR303 intersection, signalize Diagonal Road, pave SR 14 in 2026, maybe an amphitheater). Mr. Ring said if he wanted to do more at his home, he would cut expenses somewhere to save for what he wanted, not ask his boss for more money, just as the City should cut costs somewhere and not ask the citizens for a levy.

Matt Miller was glad to hear Mr. Ring's intentions for funding in the future because he had really only heard from the Mayor and department heads on what initiatives they wanted to focus on. If the City wanted to focus more on safety forces in three years, Matt Miller could see the City funding the positions. Mayor Broska added that the administration had been having Capital meetings for months and knew what projects the City was obligated to for ODOT, etc. and could look to see about funding the firefighters three years from now at the end of 2027. The Mayor emphasized that he did not want to get behind on paving City streets.

The income tax revenue was currently allocated at 82% to the General Fund and 18% to the Capital Fund, but the City could consider maybe putting 83% or 84% toward the General Fund and reducing the amount toward the Capital Fund to fund these positions. Mr. Ring commented that the City had invested a lot of Capital Funds the last 10 years and a lot of the big big projects had been taken care of (once the City Hall was completed, except for the bond payments that would still be due).

Mr. Michniak said he was not hearing clearly that the \$420,000/year needed to fund the three firefighters would be there in three years; he was not comfortable with this yet. It had not been clarified exactly where the \$420,000/year would come from or what exactly would be cut from the budget. Mr. Ring felt the City would naturally be cutting because the City would not have as big of Capital projects as it has had the last several years. Mr. Michniak was concerned that payroll, salary, benefits kept going up and road project costs were increasing too so that the \$1 million annually put toward maintaining roads may not be enough. Mayor Broska asked that the administration be allowed to have another Capital meeting and get better numbers for Council. He

added that the income tax revenue should continue to see increases, so that the City should be able to forecast a little into the future. He wasn't guaranteeing that they would find the solution, but they should be able to get better information that Council could look at for planning.

Mr. Michniak asked, "If the City had an extra \$1.26 million over the course of three years or \$420,000/year, was it the Mayor's position or direction or recommendation that the money be spent on three new firefighters?" Mayor Broska answered that it was his recommendation that the City did need firefighters and the City also needed police officers. The Fire Department was running into a problem that there were so many full-time jobs available that most of the part-timers hired in Streetsboro stayed for six months, 9 months, or a year and then left for a full-time job elsewhere. It was frustrating. There were not enough part-timers to cover all the shifts so the department needed full-timers (on overtime) to cover shifts. Mr. Michniak thought that if there were more full-timers and fewer part-timers the payroll costs might be about the same, just shifted from part-time to full-time. Chief Reinholz explained that when he doesn't have part-timers to take a shift, he has to take money from the part-time budget to pay time and a half for a full-timer to take the shift, but with so few full-timers he could not always get someone and sometimes a shift would run with four people instead of the preferred 6 people. And about 30% of the time there were double calls when a second call came in before the previous call was finished, so he had to rely on mutual aid. Mayor Broska said the part-timers would still be important but they were only paid when they were here so if the City could get more full-timers the department might run smoother. Mr. Michniak clarified that it would be an additional \$420,000/year and the City would not really be saving much in part-time payroll with the new staffing.

Mr. Michniak said it seemed the City didn't have a definite plan for how to fund these full-timers after the three-year period to include in the SAFER application form and there was no extra income on the horizon that would be available for this expenditure, so the City would have to cut from something else. Mayor Broska said the City's income had increased over the years, and the big big projects were getting done, so the administration would spend time in the next Capital budget meeting to see if the City could decrease the Capital budget by \$300,000/year in three years and try to find the other \$120,000 within the General Fund.

Mr. Michniak was all for \$1.26 million in free money for three years, but he also wanted a safety net that if the City could not cover those positions after three years, that it could lay them off without penalty. Mayor Broska said they would look into it at the next Capital meeting and report back to Council, even if it required a change of the income tax allocation. Mayor Broska was confident the City would grow its income tax revenue over the years, but the collective bargaining agreements would make a difference.

Mrs. Glenn asked what if the City applied for the grant, hired the three firefighters for three years expecting to pay for them out of the General Fund, and then could not do that for whatever reason; would the City have to pay the money back? Chief Reinholz explained that the grant application required how the City would continue the positions after the three-year grant period. Hypothetically, if the City said it would fund the positions with a levy after the three-year period, and the levy failed and the City could not sustain the positions, then the firefighters would have to be laid off. Mrs. Glenn felt that if there was no penalty, the City should definitely apply with the

intention of sustaining the positions because the safety forces were very important. There was no guarantee the City would get the grant. The application deadline was April 12, 2024, so Chief Reinholz could wait for one more Council Meeting before submitting the grant application.

Mr. Ring still felt the natural attrition of the big projects would lend itself to the availability of adjusting the income tax allocation because the City would not need as much money in Capital as it had over the last 10 years. Mayor Broska said the department heads had always been very good about planning ahead for their needs and they would continue to work together to maneuver things to get things to accomplish the goals the City had set.

Matt Miller wondered if it had been mentioned in the Master Plan discussions regarding the need for more safety forces. The administration was here to serve the citizens and if that was something they wanted, then the City had to put funding behind that. There was one more Council Meeting before the grant application due date so there was still a little time to work this out. He noted that they had heavily discussed internally the Capital Improvement projects because they could do a study and get costs for roads, buildings, etc., but they had never really done a personnel study on what was needed into the future and what it would cost. He said it would help him a lot with his calculations and model making to know where the collective bargaining agreements were.

Mr. Michniak supported moving this forward for a vote tonight with the understanding that in three years it was not guaranteed and the positions may need to be dropped. Hopefully the City did not have to do that. He was worried that a bad economy was on its way. Chief Reinholz said he had been with Streetsboro for 12 years and had not come to Council asking for more staff. The run volume had increased and sometimes there was no one at the fire station because they were getting double and triple calls, and people had started to use the EMS for just transportation to the hospital. He said 1/3 of the calls were paramedic, 1/3 were basic, and 1/3 were BS, but they couldn't know until they got there. Their staff was really stretched and he hoped to take advantage of this free grant money for three years if Council could decide what to do at the end of three years when the need for staff would still be high with another nursing facility coming into town soon.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mr. Michniak, seconded by Mr. Hannan. Upon voice vote, **motion carried**. Chief Reinholz asked Council to clarify what to include in the grant application on how the positions would be sustained after the three-year grant period. Mr. Michniak said the Mayor would work that out in the Capital meetings, but at this time it was not a safety levy and the City would find ways to sustain those positions within the City's revenue.

T-7577 Accept Donation of Fire Gear from VFW

Chief Reinholz said the Fire Department had received a call from VFW Post 9716 asking what the Department might need. The VFW was kind enough to decide to buy the Department a set of bunker pants and coat. Chief Reinholz sent them the invoice which was \$3,489 and the VFW was going to purchase the set and then donate it to the Fire Department. This legislation was for City Council to accept the donation from the VFW.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mr. Hannan, seconded by Mrs. McDaniel. Upon voice vote, **motion carried.**

T-7578 Authorize Agreement w/Cavanaugh as CMR for New City Hall

This item was tabled as requested by the administration since they did not have the agreement finalized yet.

T-7579 Purchase Truck Body Plow Upfit Kits, Greaser, and Striping

Bill Miller said this was for a chassis that had been purchased and was to be delivered in August 2024. This was for the bed, upfitting, snow plow, and salt features. It was budgeted for 2024. Bill Miller hoped it would all come together and be functional by snow season at the end of the year.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mr. Michniak, seconded by Mrs. McDaniel. Upon voice vote, **motion carried.**

T-7580 Amend 2024 Annual Appropriations [#3]

Matt Miller said the main portion of this budget adjustment was to fund the installation of the amenities at the City Center for a total of about \$1.628 million transferred from the General Fund carryover balance to the 401- Capital Improvement Fund.

Mr. Michniak commented about the extra unexpected cost of the electric bill at the new Community Center. He wondered if Matt Miller had found a way to fund that extra \$4,000/month. Matt Miller said the Finance Department had undertaken a study to look at all the electric costs and the natural gas costs too that came out of the same General Ledger account to see if there was enough budgeted for 2024 to cover those costs for the year. The administration knew the Community Center was going to cost about \$3,000 to \$4,000 per month because it was an all-electric (no gas) building, so Mr. Michniak hoped that account was fully funded. The fire pit behind the Community Center would be a propane tank, not natural gas.

MOTION: TO MOVE THIS TO TONIGHT'S REGULAR COUNCIL MEETING.

Moved by Mr. Hannan, seconded by Mr. Michniak. Upon voice vote, **motion carried.**

Executive Session

MOTION: TO RECESS INTO EXECUTIVE SESSION TO CONSIDER CURRENT AND PENDING ECONOMIC DEVELOPMENT OPPORTUNITIES, AND COLLECTIVE BARGAINING.

Moved by Mr. Michniak, seconded by Mrs. Glenn. Upon roll call vote, **motion carried unanimously and the meeting recessed at 7:59 p.m.**

MOTION: TO RECONVENE FROM EXECUTIVE SESSION.

Moved by Mr. Hannan, seconded by Mrs. Glenn. Upon voice vote, **motion carried and the meeting reconvened at 9:14 p.m.**

Citizens' Comments

None.

Announcements

A Regular Council Meeting will immediately follow this meeting.

There being no further business to come before this Finance Committee, and upon motion by Mr. Hannan, seconded by Mrs. McDaniel, this meeting adjourned at 9:14 p.m.

ATTEST:

Caroline L. Kremer, Clerk of Council

Justin Ring, Chairman