

THE CITY OF STREETSBORO, OHIO
FINANCE COMMITTEE MINUTES

Monday, August 26, 2024

This Finance Committee Meeting was called to order on Monday, August 26, 2024 at 7:00 p.m. by Justin Ring, Chairman. There was a moment of silence in honor of 13 soldiers killed in Afghanistan, then the Mayor led the Pledge of Allegiance.

PRESENT: Justin Ring, Jon Hannan, Anthony Lombardo, Jennifer Wagner, Marianne Glenn

ABSENT: Lisa McDaniel, Steve Michniak

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
Caroline Kremer, Clerk of Council

MOTION: TO EXCUSE MRS. MCDANIEL.

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

Disposition of Minutes

MOTION: TO ACCEPT THE REGULAR FINANCE COMMITTEE MEETING MINUTES OF JULY 22, 2024 AS WRITTEN.

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

Monthly Financial Report

Matt Miller said this was the financial report for July 2024. General Fund expenses were about 65%. Overall expenses were about 57% but included a very large budget adjustment for the new City Hall. Overall revenues were good at about 59% and General Fund revenues were very good at 73%. The income tax was up by about \$1.2 million. Withholding had ticked up and net profit had cooled off. Historically the fourth quarter is up in estimated payments so he expected an increase in withholding toward the end of the year. State collections for us for net profit were good at \$226,000 in July. We were down in penalties and interest because the state had changed a lot of rules. The hotel/motel account was doing really well and had collected almost $\frac{3}{4}$ of the budgeted amount already. Interest

was at \$99,000 for the month.

MOTION: TO RECESS OUT OF THIS FINANCE COMMITTEE TO GO TO TONIGHT'S REGULAR COUNCIL MEETING FOR A MAYORAL APPOINTMENT.

Move by Mr. Hannan, seconded by Mr. Lombardo. Upon voice vote, **motion carried and the meeting recessed at 7:06 p.m.**

MOTION: TO RECONVENE THE FINANCE COMMITTEE MEETING.

Moved by Mr. Hannan, seconded by Mrs. Glenn. Upon voice vote, **motion carried and the meeting reconvened at 7:09 p.m.**

Old Business

None.

New Business

Update on CDBG Program/Fair Housing

Todd Peetz, Portage County Regional Planning Commission, gave a Fair Housing video/training presentation to Council as part of the State of Ohio CDBG agreement which was doing the senior grass cutting/snow removal program. The Fair Housing presentation video was needed annually. The Fair Housing Act passed in 1968 and prevented landlords from discriminating against protected classes.

T-7648 Letters of Engagement w/State Auditor

Matt Miller said this was done annually for the normal City audit as well as the federal audit for 2023. The state was running a little behind in audits so this was coming to Council a little late in the year.

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

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

T-7649 Amend Ord. No 2024-106 Citizenserve Subscriptions

Matt Miller said he needed to have Council make an amendment to this because he had made an error on the general ledger lines; he wanted to take it from Software and needed to update the general ledger numbers.

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

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

T-7650 Authorize Drone Aviation Insurance

Matt Miller said this was done every year. It was a rider on our normal comprehensive insurance to cover when the Police Department flew the drone. It was already in the budget.

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

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

T-7651 Authorize Contract for Repair or Replacement of Guardrails

Bill Miller said there were two guardrails (Wellman and SR 303 at the bypass) that needed repaired or replaced because of accidents and these would take the amount over \$24,000 that was previously approved. There had been a lot of accidents this year. Bil Miller asked to have authorization up to \$40,000 for whatever may happen for the rest of the year. The City usually got the money back from the insurance companies.

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

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

T-7652 Authorize Auction of Two Unneeded Trucks

Bill Miller said these were two of the older vehicles in the fleet. A new truck chassis had just been received and he wanted to auction these off for a 10% fee by Edinburgh Auction.

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

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

T-7653 Authorize TIF Agreement w/Sommers Group

Mr. O'Malia said the City was engaging with the Sommers Group to offer a Tax Increment Financing to bring public infrastructure to the parcel on SR 14 across from Home Depot which would result in a new Texas Roadhouse, Chick-fil-A, and Aldi grocery store. The developer would spend about \$2.3 million and bring in infrastructure to the site. Because this was a non-school TIF and the schools received the lion's share of property tax payments, this would only net the developer approximately \$95,000 to \$105,000 range over the life of the incentive. The City was able to secure an important concession to the development shown on page 9 of the agreement. If a party ever was found who was interested in developing the 78 acre Defer site behind Walmart; they would need to somehow have a connecting road from Singletary Drive out to SR 14, but there was no room left to build a road because of the Army Corp of Engineers. If anyone ever wanted to build that road, the City now had the ability to force an easement through the new road stub which opens the City up to list it on this deal and future ones as well.

Aldi had already started construction and road access to SR 14 which Texas Roadhouse and Chick-fil-A would also use. The City was under no obligation to ever construct road access to the Defer site but in the event there was someone that wanted to develop, the City had the right to exercise the option to force an easement (not force the City to do any construction activities) to allow whoever might come in to do the construction.

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

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

T-7654 Approve Revolving Loan Fund Contract w/State of Ohio

Mr. O'Malia understood that the Revolving Loan Fund was seeded by the State of Ohio using Community Development Block Grant Funds. It was the CDBG's funds and in order for the City to continue using them, we had to sign a contract with them stating the City would follow the rules (including Fair Housing). The contract was updated to say if there was a contract taking place with a private sector entity and the construction costs were over \$250,000, the prevailing wage must be applied. Also, if the construction materials were over a certain dollar amount, they must be sourced from an American company. Neighborhood Development Services administered the CDBG program for us, but Council needs to authorize the agreement with a resolution.

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

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

Discuss Service Garage PACE Project

Mr. O'Malia said this project had been discussed for a long time (2.5 to 3 years). He had found a lender and an actual dollar amount. He reminded everyone that PACE would bring new life into existing buildings as a different tool for tax incentives; PACE would basically allow any company adding an energy improvement (new roof, solar panels, new industrial machinery, etc.) to net several benefits if there was a reduced energy expenditure. The European companies are more serious than American companies about energy efficiency and those are the companies that are moving here. Mr. O'Malia said the government pretty much needed to lead the way with the creation of PACE because there was a lot of bureaucratic nonsense that had to be gone through. Streetsboro found a project (to update the lighting at the Service Garage to energy efficient LEDs) which would save the City about \$1,300 per year. But to meet the legal definition to create PACE the City had to borrow the money. It was hard to find someone that wanted to lend the City \$2,800 without exorbitant interest rates. The Portage County Port Authority had offered to give the City a reasonably priced loan. The interest rate would be the same as they get from Star Ohio. There would be a small fee of \$1,500 which would cover the lawyer fees to set this all up. It would probably cost \$2,200 to borrow \$2,800; and then save \$1,300 per year with the new lighting. If Streetsboro could find one company with \$110,000 payroll, which was not hard to do, then this thing will have paid for itself.

Mr. O'Malia had just wanted to confirm that Council was OK with the program before the Port Authority started incurring fees, which would happen as soon as loan papers were drawn up. Mr. Ring didn't like the cost of the loan, but he understood it was part of the process for future business incentives.

T-7655 Contract w/Wright Electrical for FNB Park Project

Mr. Mytinger said this was a contract to create the drawings necessary to provide electricity to Floyd North Bicentennial Park. He planned to start construction of the pavilion soon. They had been working with First Energy and now Wright Electric to get all the necessary requirements done to provide electricity to the pavilion and possible future restroom facilities.

Mr. Hannan asked if this part of the project being reimbursed, or was the electrical work separate. Mr. Mytinger answered that the total cost for the Park was about \$265,000 and the City was getting reimbursed with a \$245,000 State grant and he was trying to keep the costs as low as possible. It was not a lot of cost to actually run the electric.

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

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

T-7656 Approve FT Firefighter Collective Bargaining Agreement

Mrs. Lockhart-Reese said this ordinance would allow the Mayor to enter into the contract with the full-time firefighter’s union from January 1, 2024 through December 31, 2026.

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

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

T-7647 Amend 2024 Annual Appropriations [#9]

Matt Miller said this was budget adjustment #9 for the year. It would move money for the CBA agreement with the full-time firefighters that was just mentioned, as well as the health insurance premiums to get through the rest of the year. There was also money moved in the 401- fund for various items for the City Center and items that were pushed off for another time.

Mr. Ring asked about the budget adjustment regarding the attempt to move driveway costs from City Center Infrastructure contract to City Hall contract that failed. Mr. Czekaj explained that there were two different design firms involved in the City Center Infrastructure contract and the City Hall contract, so the costs could not be moved between contracts.

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

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

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. Glenn, this meeting adjourned at 7:36 p.m.

ATTEST:

Caroline L. Kremer, Clerk of Council

Justin Ring, Chairman