

THE CITY OF STREETSBORO, OHIO

FINANCE COMMITTEE MINUTES

Monday, March 23, 2020

This Finance Committee Meeting was called to order on Monday, March 23, 2020 at 7:00 p.m. by Jon Hannan, Vice Chair. There was a moment of silence in place of an invocation and then Mayor Broska led the Pledge of Allegiance.

PRESENT: Mike Lampa, Jon Hannan, John Ruediger, Chuck Kocisko, Jennifer Wagner, Julie Field, Justin Ring [joined the meeting by Zoom video conferencing and would not be voting]

ABSENT: None.

ALSO PRESENT: Glenn Broska, Mayor
Frank Beni, Law Director
Caroline Kremer, Clerk of Council
[the following joined by Zoom video conferencing]:
Sarah Fagnilli, Assistant Law Director
Greg Mytinger, Parks and Recreation Director

Disposition of Minutes

MOTION: TO ACCEPT THE REGULAR FINANCE COMMITTEE MEETING MINUTES OF JANUARY 27, 2020 AND FEBRUARY 24, 2020 AS PRESENTED.

Moved by Mrs. Field, seconded by Mr. Lampa. Upon voice vote, **motion carried.**

MOTION: TO RECESS THE FINANCE COMMITTEE MEETING TO GO INTO THE REGULAR COUNCIL MEETING TO VOTE ON THE RESOLUTION REGARDING USE OF TECHNOLOGY DURING A STATE OF EMERGENCY.

Moved by Mrs. Field, seconded by Mr. Ruediger. Upon voice vote, **motion carried and the meeting recessed at 7:02 p.m.**

MOTION: TO RECONVENE THE FINANCE COMMITTEE MEETING.

Moved by Mr. Ruediger, seconded by Mrs. Field. Upon voice vote, **motion carried and the meeting reconvened at 7:09 p.m.** Mayor Broska noticed that Brian Pearson had entered the room. Mr. Pearson was here to be appointed to the Civil Service Commission vacancy. Mayor Broska had forgotten to ask Mr. Pearson to not attend tonight, but since he was here, Mayor Broska asked that Council go back into the Regular Council Meeting and the Mayor's Report section of the Council

Meeting so the Mayor could make this appointment and Mr. Pearson could be free to leave the meeting. Council agreed.

MOTION: TO RECESS THE FINANCE COMMITTEE MEETING TO GO BACK INTO THE REGULAR COUNCIL MEETING.

Moved by Mrs. Field, seconded by Mr. Ruediger. Upon voice vote, **motion carried and the meeting recessed at 7:10 p.m.**

MOTION: TO RECONVENE THE FINANCE COMMITTEE MEETING.

Moved by Mr. Ruediger, seconded by Mrs. Field. Upon voice vote, **motion carried and the meeting reconvened at 7:12 p.m.**

Monthly Financial Report

Mayor Broska noted that the February financial reports had been distributed to Council so they could see where the City stood so far this year. Fortunately the City had been doing well with income tax collections, but that would be different now because of the Governor's stay at home order with a lot of non-essential businesses laying off workers. Mr. Ruediger noted that the Finance Director could submit updates to Council by email at any time, so there was no need to move this item to a future meeting where Ms. Esarey could be present (in-person or by video conferencing).

Old Business

Discuss the Natural Gas Aggregation Program

Mr. Lampa asked that this item be removed from the agenda because it had been discussed and Council had approved a target rate that the City had locked in.

MOTION: TO REMOVE THIS ITEM FROM THE AGENDA.

Moved by Mr. Lampa, seconded by Mr. Ruediger. Upon voice vote, **motion carried.**

New Business

Review the Electric Aggregation Program

Mr. Lampa said he had asked Tom Bellish of Buckeye Energy Brokers not to attend tonight due to the coronavirus social distancing recommendations.

MOTION: TO MOVE THIS TO THE APRIL FINANCE COMMITTEE MEETING.

Moved by Mr. Ruediger, seconded by Mrs. Field. Upon voice vote, **motion carried.**

Reschedule the May Finance and Regular Council Meetings due to Memorial Day Holiday

MOTION: TO MOVE THE FINANCE COMMITTEE AND THE REGULAR COUNCIL MEETINGS FROM MONDAY, MAY 25, 2020 TO MONDAY, MAY 18, 2020.

Moved by Mr. Ruediger, seconded by Mr. Lampa. Upon voice vote, **motion carried.**

Reschedule the July Finance and Regular Council Meetings due to Expected Absences

Mr. Hannan remarked that he had been one of the expected absences for the July 27, 2020 meeting night because of a scheduled National Guard 2-week training assignment, but that assignment had been cancelled and he now expected to be able to attend the meetings. No action taken.

Executive Session

MOTION: TO RECESS INTO EXECUTIVE SESSION TO CONSIDER PENDING LITIGATION AND COMPENSATION.

Moved by Mr. Ruediger, seconded by Mr. Lampa. Upon roll call, **motion carried 6-0 and the meeting recessed at 7:17 p.m.** The Clerk exited the room with the video conferencing laptop so Justin Ring, Sarah Fagnilli and Greg Mytinger did not participate in the executive session.

MOTION: TO RECONVENE FROM EXECUTIVE SESSION.

Moved by Mrs. Field, seconded by Mr. Ruediger. Upon voice vote, **motion carried and the meeting reconvened at 7:38 p.m.**

T-6822 Set Compensation for Non-Bargaining Employees for 2020

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

Moved by Mr. Ruediger, seconded by Mrs. Field. Upon voice vote, **motion carried.**

T-6823 Go To Bid for 10-Bay Service Garage

Mayor Broska said he'd like to move forward with this. The City was moving forward with the fire station and this was something that was not connected to the income tax, it was connected to the .8 mill levy on the property tax so he wanted to move forward on the bidding. He noted there was one thing that might stop the City from moving forward on constructing this garage. Because of the world-wide coronavirus pandemic the stock market was falling, and even though the Fed lowered the rate, the City may come in at a higher rate than it wanted with the bond anticipation notes. The City was hoping for about a 3% rate for the bond anticipation notes when the City went out at the end of March, but if the rates were higher, he suggested delaying for a month or so to see if they would come back down. Mayor Broska had contacted Hammond Construction and their people were ready to work on the fire station and he wanted to move forward on the bidding for the Service garage too.

Mr. Ring noted the Mayor had just said if the rates were not around 3% for the bond anticipation notes the City may not move forward, but Mr. Ring thought the City would have to move forward because the funding was needed for the construction of the fire station, regardless of what the rates were. Mayor Broska said ultimately that decision would be up to Council on whether or not to move

forward. The Finance Director had advised him that with the national health crisis there may not be a lot of people buying bond anticipation notes and if the rate went over a certain amount it may cause the City some concern. He said he could bring it back to Council for their decision. Mr. Ring said Council had already passed the legislation to allow those bond anticipation notes to be bought; there wouldn't be time to come back to Council if the rates were high.

Mr. Ring summarized that the City was supposed to purchase those bond anticipation notes at the end of March in order to get the financing by the middle of April. If the notes were delayed it would delay the construction. He agreed if the rate was high, he didn't want to take the notes out, but he just wondered where that would put the City with the fire station construction. Mayor Broska said it would delay the construction, which could increase the construction costs because of changes in the supply chain; so what might be saved in interest for the one year period by waiting a month or so for the rates to come back down might be offset by increased construction costs. Mayor Broska thought the authorizing ordinance for the bond anticipation notes allowed the City to go up to 5%, which would be for the one year, and then after the one year hopefully the rates would be down again for the full bonds. Mr. Ring said it would not have to come back to Council if the bond anticipation note rates were between 3% and 5%, which was what Council had already approved; it would be up to the Mayor and the Finance Director to decide to act or not. Mr. Ring was concerned the City might be in trouble with the Gross Maximum Price (GMP)(\$5.437 million) for the fire station already because of current strains on the supply chain. Mayor Broska did not want to delay construction of the fire station, but wanted to warn Council that the Finance Director had indicated the interest rate may be higher than anticipated last month. This agenda topic was for the 10-bay Service garage, but the bond anticipation notes for both construction projects were a package deal. Council Members agreed to go out for bids for the 10-bay Service garage.

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

Moved by Mr. Ruediger, seconded by Mr. Kocisko. Upon voice vote, **motion carried.**

T-6824 Donate Obsolete Motorola MARCS Radios

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

Moved by Mr. Ruediger, seconded by Mrs. Field. Upon voice vote, **motion carried.**

T-6825 Go to Bid for Paving Ravenna Road and Page Road

The Mayor suggested moving forward with this because the project would be partially funded with OPWC money.

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

Moved by Mrs. Field, seconded by Mr. Lampa. Upon voice vote, **motion carried.**

T-6826 Amend Ord. No. 2020-41 Code Section 149.04(p)

This was an oversight in the recent legislation to update the Building Department fees. This was just changing one section from \$0.06/sq. ft. to \$0.50/sq. ft.

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

Moved by Mr. Ruediger, seconded by Mrs. Field. Upon voice vote, **motion carried.**

T-6827 Ordinance to Discard Obsolete Property

Mr. Beni said this was to be able to get rid of broken unusable equipment, i.e. broken chairs in the conference room. Mayor Broska noted the City could not just throw away things that were a City “asset” without authorization.

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

Moved by Mr. Ruediger, seconded by Mr. Lampa. Upon voice vote, **motion carried.**

T-6828 Additional Cleaning Agreement with RKS Biohazard Division

This was for the additional decontamination cleaning efforts due to the coronavirus situation. There was a \$300 cost per building (City Hall, Service Department, Police Department, and Fire Department) once per week while needed, for a total of \$1,200/week. The cost would come out of account number 101-81-5341, the same account the usual cleaning costs came from. There would be an appropriation adjustment to move more money into this fund to cover this additional biohazard/decon cleaning. Mr. Lampa and Mrs. Field agreed this additional cleaning needed to be done.

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

Moved by Mrs. Field, seconded by Mr. Lampa. Upon voice vote, **motion carried.**

T-6829 Contract to Purchase Mats and Uniforms

Mr. Beni said no bidding was required for this renewal contract because Cintas was providing these items at State bid pricing because Streetsboro was in a consortium.

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

Moved by Mrs. Field, seconded by Mr. Lampa. Upon voice vote, **motion carried.**

T-6830 Purchase Parks and Recreation F-350 Truck

Mr. Mytinger [by video conference] said this was a requested price for the Parks and Recreation truck from Lebanon Ford, the same dealership the Service Department was getting their vehicles from at State bid pricing. The Service Department mechanics had confirmed it was the same truck and all the needed items were included at the State bid price.

Mr. Ruediger asked Mayor Broska if he felt comfortable with the future of the economy to continue with this purchase. Mayor Broska said this could go through three readings to see how things might go in the next few weeks.

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

Moved by Mr. Ruediger, seconded by Mr. Lampa. Upon voice vote, **motion carried**. Mrs. Field asked what current vehicle this new truck would replace. Mr. Mytinger said the Parks and Recreation Department had a dump truck and this new truck would replace a 10-12 year old F-350 pickup truck that was really starting to show its age as a work vehicle.

T-6821 Amend 2020 Annual Appropriations [#4]

The Clerk mentioned an Exhibit "C" had been provided to Council on the table tops tonight. The legislation in the packets had Exhibits "A" and "B" and this third exhibit pertained to the emergency appropriation if Council wanted to amend the legislation and include this third exhibit. Mr. Ring asked if the emergency appropriation was to be a separate distinct line item. Mrs. Fagnilli told him yes, it was a new line item labeled Public Health Emergency Expenditures funded at \$50,000.

Mr. Ring didn't think there needed to be a separate emergency line item; if there was an emergency expenditure, the Mayor could spend it out of the lines that were already appropriated. Mayor Broska said most likely they would spend money out of an appropriated line, but he was concerned that there might be an emergency expenditure needed that wasn't budgeted for and was far above what was appropriated. The only time something would be expended out of this new Public Health Emergency Expenditures line was for an emergency and most likely it wouldn't get spent and be carried over to the next year. According to the existing ordinance [see attached] the Mayor had to notify Council if he made an emergency expenditure and then Council would know what amount was coming out of this new line item and what it was for.

Mrs. Fagnilli said this was necessary because Streetsboro had line item budgeting. For example, there needed to be an emergency repair done a month or two ago and there wasn't sufficient funds in that particular line item to make the repair, so if the City was going to have an emergency ordinance for the Mayor to deal with emergencies, there really needed to be a line item set aside so the City could handle those emergency purchases. She said the circumstances under which the administration would likely use this were fairly limited, but if it wasn't there the administration couldn't do it at all. The idea was to be able to react quickly to unexpected situations, especially if there weren't Council meetings every two weeks. If a need arose and an opportunity presented itself the Mayor could email Council Members and let them know what was needed and why; it allowed some flexibility to make it happen.

Mr. Kocisko didn't think this was necessary because the Mayor already had the authority to deal with emergencies, but Mayor Broska explained that he needed to have this in place for this specific use and to have it authorized by Council. If the money wasn't used for an emergency it would just be

unexpended and carried over to the next year. Mayor Broska added that if something big arose, it could deplete the already appropriated funds, so this separate fund, specific for emergencies, would make it so much easier to deal with. Mr. Ruediger noted that this appropriation did not give the Mayor any more power than he already had, it just funded a line item for the power that had already been granted to the Mayor; it actually helped the Finance Director more than the Mayor. This appropriation designation would allow the Finance Director to have funds from which to write a check for whatever emergency expenditure the Mayor authorized.

Mr. Hannan commented that even if Council agreed to appropriate \$50,000 to this emergency line today, in a few months or whenever the crisis was over, Council could take the money out of the line if that would make Mr. Kocisko feel more comfortable. Mr. Kocisko still didn't think this appropriation was necessary because the Mayor already had the power to handle emergencies. But Mr. Hannan said the Mayor couldn't spend money we didn't have, so something had to be appropriated for him to spend. Mr. Ruediger clarified that even if the Mayor had the power to deal with emergencies, the Finance Director didn't have the power to write checks from accounts that did not have enough appropriated. He thought the money would probably never be spent, but it would be there if it was needed.

Mr. Ruediger asked if there was a definition of what was an emergency. Mr. Beni didn't think there was a definition of an emergency spelled out.

Mr. Lampa noted this was to be a newly created line item. He said the ordinance that gave the Mayor authorization to deal with emergencies had a limit of \$30,000, but this was for a \$50,000 appropriation. Mr. Beni said the ordinance allowed for spending a maximum of \$30,000 for one particular emergency before coming to Council for further approvals. Mr. Lampa supported this so the Mayor could be able to handle an emergency that may arise without having to convene a Council Meeting, especially with the current state of the country.

Mayor Broska noted that this would be an audit issue. Even if there was an emergency, the Finance Director would not write a check from an account for more than was appropriated and unencumbered; she could not legally do it.

Mr. Ring clarified that this did not have anything to do with the current state of emergency declared by the Governor; this line item was for any emergency any time of the year when the Mayor deemed an issue to be an emergency. He added that there was a catch-all in the legislation to provide for abatement of a public health emergency, which Mr. Ring thought just about anything could fall under. Mr. Ring thought he had read something earlier today that while under a state of emergency the Mayor had the power to unilaterally move money from one line item to another line item within the same fund. Mr. Ring did not oppose this appropriation, he just wanted to clarify this was for any emergency funding needed for any issue within the City, not specifically for the current coronavirus state of emergency. Mayor Broska said the current coronavirus state of emergency brought this concern to light, which prompted this action before Council tonight.

Mr. Hannan said the legislation for emergency purchases said the Mayor had to notify Council, but

he wondered what the timeline was. Prior to spending the money the Mayor had to notify Council of the declaration of the emergency and then provide cost information within 10 days thereafter, so he could spend the money before Council knew the amount. Mr. Ring said with an emergency the Mayor may not have time to stop to notify Council before taking action. Mayor Broska noted that in recent years it had been very easy to communicate with and/or notify Council regarding activities within the City by email, Facebook, etc.

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

Moved by Mr. Ruediger, seconded by Mrs. Field. 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. Ruediger, seconded by Mrs. Field, this meeting adjourned at 8:12 p.m.

ATTEST:

Caroline L. Kremer, Clerk of Council

Jon Hannan, Vice Chairman