

THE CITY OF STREETSBORO, OHIO
FINANCE COMMITTEE MINUTES

Monday, November 23, 2020

This Finance Committee Meeting was called to order on Monday, November 23, 2020 at 7:01 p.m. by Justin Ring, Chairman. Mr. Ruediger led the Pledge of Allegiance and then Mrs. Field gave an invocation.

PRESENT: Justin Ring, John Ruediger, Jon Hannan, Jennifer Wagner, Julie Field

ABSENT: None.

ALSO PRESENT: [by Zoom video conferencing:]
Mike Lampa, Council Member
Chuck Kocisko, Council Member
Glenn Broska, Mayor
Frank Beni, Law Director
Tricia Wain, Police Chief
Rob Reinholz, Fire Chief
Jenny Esarey, Finance Director
Bill Miller, Service Director
John Cieszkowski, Planning Director
Patrick O'Malia, Economic Development Director
Greg Mytinger, Parks and Recreation Director
Sara Fagnilli, Assistant Law Director/Prosecutor
Shawna Lockhart-Reese, HR Manager
Caroline Kremer, Clerk of Council

Disposition of Minutes

MOTION: TO ACCEPT THE SPECIAL FINANCE COMMITTEE MEETING MINUTES OF SEPTEMBER 14, 2020 AND NOVEMBER 9, 2020 AS PRESENTED.

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

Monthly Financial Report

Ms. Esarey said the October financial reports had been distributed on November 2, 2020. As of October 31, 2020 there were no issues with salaries and wages. General Fund expenses were below target at 81.21% (target for the month was 83.33%). Total expenses were at target at 83%. General Fund Revenue and Total Revenue were both above target at 88%. Income tax receipts were budgeted to be collected for November at 91.66%, but were actually at 92.29%, which was a little surplus (about \$81,000 from January to November collections).

Old Business

Set Pay for Next Term of At-Large Council Members

Mr. Ruediger said it had been discussed to bring the At-large Council Members up to the same pay scale as the Ward Council Members to be effective as soon as the new term began at the end of 2021. The pay for the Ward Council Members was increased in January 2020 when their term started, so now Council was discussing the pay for the At-Large Council Members to potentially bring it up to the same level.

Mr. Beni confirmed for Mr. Ring that the pay adjustment needed to be done at the beginning of the year the candidates would run for office. There was plenty of time for this; this was just to start the discussions and get the legislation drafted. The legislation could go through three readings and be in place by the end of January 2021.

Mr. Ruediger confirmed for Mrs. Field that the 1999 legislation was only written for the Ward candidates; no pay changes were authorized for the At-large Council Members. She thought it had been Council's intention to authorize the change for all the Council Members at the same time; but it wasn't approved that way. Mr. Beni thought the previous Law Director may have been trying to comply with the Charter that stated the pay needed to be set for those running for election that year.

Mrs. Field felt all the Council Members should make the same pay. Mr. Lampa and Mr. Ring suggested changing the previous legislation language to reflect At-Large Council Members (running for office in 2021) instead of Ward Council Members and approve that as the new legislation. Mr. Ruediger directed Mr. Beni to prepared such legislation for consideration at the December 28, 2020 Finance Committee Meeting.

MOTION: TO MOVE THIS TO THE DECEMBER 28, 2020 FINANCE COMMITTEE MEETING TO REVIEW DRAFT LEGISLATION.

Moved by Mr. Ruediger, seconded by Mrs. Field. Mrs. Kremer said it seemed Council wanted the new legislation to match the current Council Member's pay, but Codified Ordinance §121.07 said the Council pay rate should match the current rate of the OPERS one year of service credit eligibility, which is now different than it was when the previous legislation was passed in January 2019 because it seemed to change every year. She wanted to make sure Council would be meeting the law.

Mr. Beni said the pay had been tied to OPERS, but according to Charter, once the pay was set it could not raise an elected official's pay that was not running for election. Mr. Ring wanted to be able to set the pay to be tied to and float with the OPERS rate not set at a specific dollar amount. Mr. Beni said the Charter required the pay to be set at the beginning of the term and not be changed during the term of office. Mr. Ring said he'd want the legislation to set the pay at the minimum OPERS rate at the start of each term without Council having to do legislation at the start of each campaign year. Mr. Beni said Council could do that but each election year would have a different pay rate, not all the Council Members would get paid the same as had been expressed earlier tonight. Mr. Ring said he was comfortable with that because the pay rates would be close and Council wouldn't have to vote on it each time. Except, the current Ward Council Members had a fixed pay rate that was set in January 2019, so legislation would be needed in two years to change the Ward Council Members' pay to also

float with the minimum OPERS rate. Then after that Council wouldn't have to revisit it because it would be automatically set to the minimum OPERS rate. It would seem the most recently elected Council Members would always make a little more than the other Council Members. Mr. Kocisko preferred all the Council Members were paid the same. Mr. Beni said that would require a Charter change approved by the voters.

Mr. Hannan thought the original goal was for Council Members to get the minimum amount for one year of OPERS service credit, but under what was just proposed, after the first year of each term when OPERS changed their rates, the Council Members would not be making the minimum amount for one year of OPERS service credit.

Mr. Beni explained that Code §121.07 tied the Council pay rate to OPERS, but the Charter required the pay to be fixed prior to candidates running for office. Mr. Ruediger wondered if it had to be fixed at a specific dollar amount or could it be fixed to the floating OPERS amount and adjust every time OPERS makes a change. Mr. Beni said it could not do that and have the pay amount change during the term; that was contrary to the Charter.

Mrs. Field asked Council to keep in mind that the amount was minimal. She said the intention was to get the year of service credit benefit, but that benefit didn't even mean much to the retirement of most people that served on Council. She felt strongly that everyone should be making the same amount and chasing after the OPERS would mean there would often be a difference between what the Ward Council Members and the At-large Council Members make. Mr. Ring agreed with Mrs. Field, and said after the first year of an elected term, the OPERS minimum could/would change and the Council Members would not be making the minimum any longer anyway. So he wondered why it was even tied to OPERS. That requirement was by ordinance, not Charter, so it could be easily changed.

Mayor Broska read Section 4.15 of the Charter out loud [see attached]. He recommended Council fix the compensation prior to the beginning of the term at the rate Council would expect OPERS to raise their rate over the four year term so the Council Member would be making the minimum amount for one year service credit over the whole term; fix it at maybe a couple hundred dollars over the current OPERS minimum rate for one year service credit when passing the legislation.

Mr. Ring said unless someone had been a public employee for the last 30 years when running for Council, the OPERS service credit benefit was not really beneficial. He thought Council should just fix a pay amount for all Council Members to be paid the same starting when the next terms started and not consider what the minimum OPERS credit was; like it had always been before all these recent discussions started.

Mayor Broska agreed that Council should fix the Council pay at a high enough rate that would give the Council Members the minimum OPERS service credit for the next term or even for the next couple of terms because, as we can see, Mr. Ruediger and Mrs. Field (like others in the past) will have served at least 12 years on Council and the OPERS retirement benefit may be significant for them and they would not want to lose it. Mayor Broska said being a Council Member was not easy and getting compensated for it was just and right. Mr. Ring thought that was a good suggestion.

OPERS had provided a chart with their expected increases through 2027 (about 1.75% annually), but Ms. Esarey said that could change at any time. Mr. Ring commented that if the Council compensation legislation tied the compensation to OPERS for automatic increases at each election, the Finance Director or someone would have to remember to figure out that amount and set the pay in the payroll system at the start of each elected term, which was one more thing to keep track of.

Ms. Esarey explained that the current pay rate for the Ward Council Members was \$7,920/year based on the minimum salary of \$660/month to earn one year of OPERS service credit in January 2019. But in 2020 it was \$673.08/month to earn one year of OPERS service credit so it would be \$8,076.90/year. So the people elected at the end of 2019 didn't even earn a full year of service credit for their first year on Council in 2020.

Mr. Lampa said he had discussed this issue with a Council Member in Twinsburg because they had similar discussions. Twinsburg had decided to set the salary at \$12,000 so they didn't have the OPERS issue. Mr. Lampa said although he wouldn't be getting full OPERS credit except for his first year on Council, he would be getting some credit each year, and although that may seem like a small amount to some, it may be significant if one would invest it correctly. He would meet Mrs. Field to discuss her investment options. He thought all Council Members should make the same amount because he felt he was well worth more than what the Council Members make with all the work he did as Council Member.

Mr. Ruediger suggested, since the OPERS chart indicated the minimum for one year of OPERS service credit through 2029 was \$9,441.04, that Council set the compensation at \$10,000 or more to cover the minimum for the next decade. Mr. Ring said Council could do that for the next term, but would have to set the matching pay for the Ward Council Members in two years when those seats were up for election. Mr. Ruediger supported setting a flat amount of compensation that would meet the minimum OPERS service credit for quite a while; \$10,000 most likely for at least a decade and \$11,000 or \$12,000 most likely for a couple decades.

Mr. Ruediger and Mrs. Field withdrew their earlier motion. Mrs. Field thought this current discussion would be a substantial raise, to be applied at the next election for only the At-large Council Members. Mr. Ruediger suggested wording the legislation like it was before for all of Council, to take affect for their next elected terms. He said set it for \$10,000 or \$12,000 and let it go for a while. Mr. Ring didn't mind a flat amount; he thought the amount was a little aggressive, but it would cover Council for the next decade or so. OPERS change the rate all the time to make sure they could cover all the retirees. Mr. Ring like the idea of setting the pay at a percentage above the current minimum OPERS for each term, but couldn't be sure that percentage would be enough to cover a four year span. Mr. Kocisko was in favor of setting a flat rate to be the same for all the Council Members in three years when the Ward Council Members run for office again and Mr. Ring agreed.

Mrs. Field said when she first started on Council her pay was \$3,600/year and then last year it increased to \$7,920/year. She wondered how an increase to \$10,000 or more for all seven Council Members would impact the budget. Mrs. Esarey answered that it would be at least \$19,200 in wages, plus 1.45% (about \$280) in Medicare, and 14% (OPERS) = about \$22,168 annually just for the three At-large Council Members.

Mrs. Field said she had been opposed to a raise for Council Members. Not that the job wasn't a lot of work, but she just didn't know how you would put a number on a position like Council Member. She didn't think it should be up to Council; maybe have the citizens vote for it, or select someone else to make the decision. She like the idea of keeping the position as service to the community. It seemed a little stipend was nice, but did the pay even begin to cover what all a Council Member put into the job? There were seven members of any Council and all members added a lot of value to the board, but there was also a wide spectrum of time commitment from each member. Time was precious and she didn't think you could put a dollar amount on time. She said she had a hard time with this whole conversation. She believed each Council Member should make the same amount, so she encouraged making that adjustment.

Mr. Ring agreed with the idea that people don't do the Council job for the money. But that conversation had already been had back in 2019 when an increase for Ward Council Members was approved, and now this Council was just trying to fix it. Mrs. Field agreed it needed to be fixed so all Council Members were the same, but raising it to \$10,000 seem like a lot.

Mr. Ruediger commented that although this decision was placed in Council's hands, the compensation for every single village and township trustee was set by the State, and they were set at \$14,400 plus full benefits. He agreed it was an awkward conversation and that's why Council had tried to tie it to the OPERS benefits and not have to look at it again.

Mr. Lampa said it needed to be a flat rate and be even across the board. He was sad that the compensation was so low in the past. He looked at this position as a second full-time job because of all the work he did. It was so much more than coming to a Council meeting every two weeks. He said most of the money he made as a Council Member he gave back to the City in donations of various kinds. He'd like the Council pay, like every job, to be based on performance, but that couldn't be done.

MOTION: TO ASK THE LAW DIRECTOR TO PREPARE LEGISLATION FOR THE DECEMBER 28, 2020 FINANCE COMMITTEE MEETING TO SET ALL THE COUNCIL MEMBERS' COMPENSATION AT \$10,000/YEAR TO BE EFFECTIVE AT THE START OF THEIR NEXT TERMS.

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

Discuss Audio to Text Software

Mr. Lampa asked that this item be removed from the agenda until he was ready to bring it back after he did some further investigation.

Stage Rental for Streetsboro Family Days

Mr. Mytinger said there was already money in the proposed 2021 budget. He recommended the City help Streetsboro Family Days with a stage rental in 2021 and also proceed with the planning and development for a permanent solution for 2022.

Mr. Ruediger said he'd heard rumors that there might be a possible solution coming out in the near future for a permanent solution. Mayor Broska said there was a possible solution, but it wouldn't be within the next year.

Mr. Mytinger clarified that there was no action needed; the ability to rent a stage was already in the 2021 budget. He would work with the Streetsboro Family Days organization to get contracts, determine a location, and get things arranged in time for the summer event. There would be legislation to authorize the expenditure presented to Council later.

Mr. Mytinger noted the City would open bids for the new basketball courts on December 4, 2020, and then bring legislation to Council to accept a bid so they could schedule construction. He would continue to work with Streetsboro Family Days and others to work toward a more permanent stage solution.

Discuss Purchase of a Mobile Stage

Mr. Lampa asked that this item be removed from the agenda since a stage rental would be approved for the next Streetsboro Family Days in the 2021 budget. He said the purchase of a mobile stage may have to come back up later if there was no solution arranged for 2022. Mrs. Field thanked Mr. Lampa for his work and research on the mobile stage idea, which she thought was a good idea for the City.

Discuss 2021 Proposed Budget

- Proposal for International Property Maintenance Code

Ms. Esarey said she didn't have anything new to present since the last meeting and wondered if Council had any questions. Mr. Lampa said there had been a meeting regarding a certain place in the City where the City's hands were tied regarding certain maintenance issues because the City Code was not up to date and had not been up to date for quite a while. Mr. Lampa had learned about the International Property Maintenance Code (IPMC) which should be written into Streetsboro's existing Code. Mr. Lampa had asked Mr. Cieszkowski for a quote on how much it would cost to update the current City Code to include the IPMC. He felt it was something the City would eventually have to do.

Mr. Cieszkowski said Mark Majewski from North Star Planning was assisting the City with the zoning and design guideline element on the Core Concept Plan. Mr. Majewski just got done with a similar update to the City of Euclid's Code of Ordinances to adopt the International Property Maintenance Code with a specific eye toward supplementing the City's current exterior property maintenance regulations. This was exactly what Streetsboro was looking to undertake. Mr. Lampa had asked for a proposal so Council would have a cost estimate to consider. Since the 2021 budget had already been presented from the Mayor to Council, it would be up to Council to make any changes to the 2021 budget, that's why this was being presented on tonight's Finance Committee agenda.

Mr. Ring wondered if it was common for cities to adopt the International Property Maintenance Code, and if so, why had Streetsboro not done it already. He wondered if it would be a benefit to Streetsboro. Mr. Cieszkowski said he knew of a few communities had had adopted it, but he didn't know why Streetsboro had not done so. Mr. Cieszkowski said Streetsboro had considered various

things for a long time that needed updated in the Streetsboro Codes, but didn't have the staff capacity to move forward on them due to the day-to-day demands on the Planning Department. After the discussion with Councilman Lampa, Mr. Cieszkowski reached out to Mark Majewski, who happened to be working with another community on the exact same thing. Mr. Cieszkowski said Bob Senvisky, the Zoning Inspector, was doing a good amount of property maintenance enforcement and one of many benefits of the International Property Maintenance Code Council was the preliminary vetting of the legitimacy of the standards and the defensibility of the standards. He thought the current exterior property maintenance regulations were vague, in general, and this would help close the loopholes and add some specificity where it was necessary. Mr. Ring thought this could improve the City's local Code to give it more teeth for the local inspector and the Law Department.

Mayor Broska said until Mr. D'Agostino joined the City, the property maintenance Code was mostly an unknown for most of the City administration. When Mr. Senvisky started inspecting and checking on things a lot of shortages were discovered and then Mr. D'Agostino and Mr. Cieszkowski started to work together because they felt things could be done a lot better. The current Property Code and Zoning Code did not have much teeth and it took too long to get through them to enforce things. The International Property Maintenance Code already had policies and procedures that Streetsboro could borrow to do things in a more efficient manner.

Mr. Cieszkowski said he could do the updates for the City, but he didn't have time to focus on just that project. Mr. Lampa added that Mr. Majewski was already working with the City for the Core Concept and Mr. Lampa thought it would be great to partner further with Mr. Majewski since he was involved with Streetsboro issues already.

Mr. Ruediger summarized that this agenda item was to get the money (\$12,000) to potentially do the Code update appropriated into the proposed 2021 budget. The actual authorization for expenditure to do the project was a separate issue. Ms. Esarey if this was something Council wanted, then Council just needed to make the amendment by motion to increase the line item for \$12,000 and she would include it for Council's final approval of the proposed 2021 budget in December.

MOTION: TO AMEND THE PROPOSED 2021 BUDGET TO REFLECT THE \$12,000 INCREASE JUST DISCUSSED FOR PLANNING AND ZONING CONTRACT SERVICES.

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

Ms. Esarey said there had been no questions from Council regarding the proposed 2021 budget, so she wondered if they were all comfortable with what had been presented and would be willing to pass it, as presented, after the December 28, 2020 Finance Committee Meeting or would Council like a Special Finance Committee Meeting on December 14, 2020 for some further discussion. Council Members did not request a Special Finance Committee Meeting; if anyone had questions, they would contact Ms. Esarey directly. Ms. Esarey said she would make sure this \$12,000 added tonight was included in the proposed 2021 budget for the December 28, 2020 meetings so Council could pass the annual budget that night.

New Business

T-6937 Reallocate Income Tax Revenue

Ms. Esarey said the proposed 2021 budget included the allocation of income tax, which was currently 100% toward the General Fund, but in the proposed 2021 budget starting January 1, 2021 it was 82% toward the General Fund and 18% toward the Capital Improvement Fund. This had been explained in her notes with the presentation of the proposed 2021 budget. The 301- Bond Retirement Fund did not need any income tax monies in 2021 in order to accommodate annual payment for the judgement bonds. This ordinance would make that allocation change effective for January 1, 2021.

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

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

Discuss Postage Meter Lease

Ms. Esarey said the City had a 5-year arrangement with Pitney-Bowes which was expiring, so the City got two quotes. Pitney-Bowes was the better price and she asked that Council approve a new 5-year agreement at the December 14, 2020 Council Meeting.

Mr. Lampa wondered if the cost for the Postage Meter might be less if the customer option for online bill pay for water went well. Ms. Esarey said the Water Billing Department didn't use the postage meter very much because the quarterly billing was sent bulk mail.

MOTION: TO MOVE THIS TO THE DECEMBER 14, 2020 REGULAR COUNCIL MEETING.

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

T-6938 Renew Annual Lexipol Subscription for Police Department

Ms. Esarey explained that this was part of the annual budget for 2021.

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

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

T-6939 Accept Donation from Jeff Allen for Beautification

Mr. Mytinger said this was a donation from Jeff Allen and Allen Alloys to be used for beautification from the bulk item clean up a few months ago. It was \$400 being donated back to the City's Beautification line item. Mr. Kocisko asked that the City do a letter of thanks to Mr. Allen. Mr. Mytinger said that would be done.

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

Moved by Mr. Ruediger, seconded by Mr. Lampa. Mr. Ruediger thanked Mr. Allen for his generosity. Upon voice vote, **motion carried.**

T-6940 Amend Ord. No. 2020-131 Service Garage Owner Contingency

Mr. Miller said this was so the City staff could do some of the work. They wanted to do the underground electric. He said it was a lot cheaper and would save some contingency money if the City Service Department did the work; it would probably take two guys 2-3 days to do. The cost would be about \$7,000 to \$8,000 in materials. The construction company wanted about \$18,000 to do the work, so it would save some contingency money to have the City staff do it.

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

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

The Chair moved an item up on the agenda.

T-6936 Amend 2020 Annual Appropriations [#15]

Ms. Esarey said this was mostly ins and outs but she did increase the Municipal Income Tax based on actual receipts through November, so that way she could make the transfer and the City would have the balance needed in the Capital Improvement Fund for the 2020 and 2021 budgets.

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

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

Executive Session

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

Moved by Mr. Ruediger, seconded by Mr. Hannan. Upon roll call vote, **motion carried unanimously and the meeting recessed at 8:08 p.m.**

MOTION: TO RECONVENE FROM EXECUTIVE SESSION.

Moved by Mr. Ruediger, seconded by Mr. Lampa. Upon voice vote, **motion carried and the meeting reconvened at 8:50 p.m.**

The Clerk asked if an item could be added to tonight's agenda.

Police Elevator Emergency Repairs

Chief Wain explained the elevator at the police station had stopped working last Friday. Gable Elevator examined it today and it was a fairly significant issue. They hoped it was the motherboard, which would cost \$3,842.23 to repair and make the elevator run again. If it was not the motherboard, Gable Elevator would keep the motherboard and would have to seek proprietary software from Schindler Elevator, which would be even more expensive. This information was just received this afternoon. She said there was enough money left in the Police Building Contractual account line, so she asked if this emergency repair could be approved by Council by motion tonight instead of waiting for the next Council Meeting or Board of Control Meeting.

Mr. Beni noted there was an emergency provision in the Code that allowed the Mayor to authorize

emergency expenditures, but he hadn't read the procedure recently. Mrs. Kremer thought Council would have the option tonight to authorize the expenditure by motion, especially if it wasn't literally an emergency that the Mayor would have jurisdiction over (which would then be followed up with a Council action anyway). She wasn't sure if it could be a motion by the Finance Committee, or if it had to be a motion by City Council later tonight, to authorize expenditure of the \$3,842.23 to start repairs on the elevator. Mr. Beni recommended moving this to the Regular Council Meeting tonight to let everyone vote on it; it could be done by motion.

MOTION: TO SEND THIS TOPIC REGARDING THE POLICE ELEVATOR REPAIRS TO TONIGHT'S REGULAR COUNCIL UNDER *REPORTS/COMMUNICATIONS FROM DEPTS/BOARDS/COMMISSIONS* FOR A VOTE ON THE EXPENDITURE.

Moved by Mr. Ruediger, seconded by Mr. Lampa. 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 Mr. Hannan, this meeting adjourned at 8:55 p.m.

ATTEST:

Caroline L. Kremer, Clerk of Council

Justin Ring, Chairman