

THE CITY OF STREETSBORO, OHIO  
FINANCE COMMITTEE MINUTES

Monday, September 27, 2021

This Finance Committee Meeting was called to order on Monday, September 27, 2021 at 7:00 p.m. p.m. by Justin Ring, Chairman. Mrs. Field welcomed the high school students in the audience, explained the Council procedures, and invited them to step to the podium if they had any questions tonight. Mrs. Field gave an invocation and Mayor Broska led the Pledge of Allegiance.

PRESENT: Mike Lampa, Justin Ring, Jon Hannan, Anthony Lombardo, Chuck Kocisko, Julie Field

ABSENT: Jennifer Wagner

ALSO PRESENT: Glenn Broska, Mayor  
Frank Beni, Law Director  
Patricia Wain, Police Chief  
Rob Reinholz, Fire Chief  
Bill Miller, Service Director  
Justin Czekaj, City Engineer  
Shawna Lockhart-Reese, HR Manager  
Caroline Kremer, Clerk of Council  
[by Zoom video conferencing:]  
Jenny Esarey, Finance Director  
John Cieszkowski, Planning Director  
Greg Mytinger, Parks and Recreation Director

**MOTION: TO EXCUSE MS. WAGNER WHO WAS ON HER WAY.**

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

**Disposition of Minutes**

**MOTION: TO ACCEPT THE REGULAR FINANCE COMMITTEE MEETING MINUTES OF AUGUST 23, 2021 AS WRITTEN.**

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

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

Moved by Mr. Hannan, seconded by Mr. Lampa. Upon voice vote, **motion carried and the meeting recessed at 7:04 p.m.**

## **MOTION: TO RECONVENE THE FINANCE COMMITTEE MEETING.**

Moved by Mr. Hannan, seconded by Mrs. Field. Upon voice vote, **motion carried and the meeting reconvened at 7:06 p.m.**

Mr. Lampa suggested adding an executive session regarding land acquisition to tonight's agenda. Mayor Broska said there was no way the City could do it; the timing was just not there. No executive session was added to the agenda.

### **Monthly Financial Report**

Ms. Esarey said the August financial reports were distributed on September 1, 2021. Things were looking really good this year. All the salaries and wages were in line for the year. The General Fund expenses including encumbrances were slightly above target at 69%; the target was 66.67%. The Total expenses were also a little above target at 72%. The General Fund revenues were above budget at 73% and Total revenues were above budget at 77%, probably because the City had received the second half of the real estate taxes. Overall the budget was doing well. The City had received the full September advance and reconciliation and should have been at 75%, but was at 84%, so income tax was looking good.

Ms. Esarey said part of the budget amendments tonight was to increase the estimated revenues based on actual receipts for income tax. Mr. Ring asked if all categories of income tax receipts were above target. Ms. Esarey answered the withholding and net profit was up, but residential was down. She thought that may be due to timing since there were filing extensions, etc. She hoped people had not lost their jobs, so she would wait to see how it trended for the rest of the year. Mr. Ring asked if Ms. Esarey had any concern about net profit having to go back to the payers. Ms. Esarey said normally when the City had a high net profit, the next year it might tailor off a little bit, but Mr. O'Malia and Mayor Broska said the businesses had been doing well, so she hoped that would not be the case. She said there had been a lot of estimated payments for net profit to come in, and RITA and the State had done some investigations, so she hoped the City would keep the net profit, even if it was not quite as much next year, to at least stay flat.

### **Old Business**

None.

### **New Business**

#### **Present Application for Using Revolving Loan Fund**

Mayor Broska introduced Heidi Grubaugh-Ott as the owner of Mode of Expression hair salon in the old Dairy Queen building. Ms. Grubaugh-Ott had asked the City for financial assistance through the Revolving Loan Fund (RLF) to purchase the entire Dairy Queen building and make improvements to it. Mayor Broska and Mr. O'Malia had discussed how that end of SR 14 and the eastern side of SR 43 would be the next growth area for Streetsboro. Ms. Grubaugh-Ott had already reached an agreement with Aria Nails as a leaser to occupy the other half of the old Dairy Queen building from her for the next 10 years. Aria Nails was currently in the strip plaza near Scheetz across from Walmart, but needed to move because Enterprise Rent-A-Car wanted to take over that whole plaza.

Ms. Grubaugh-Ott has had her hair salon business in Streetsboro in three different locations and had been a long-time part of Streetsboro. Mayor Broska said the bank was uncomfortable financing the entire loan and Streetsboro would like to help her buy the old Dairy Queen building. In return for the City's investment Ms. Grubaugh-Ott would make façade improvements to the roof, paint the building and make landscape improvements. The City would be able to loan her \$50,000 from the RLF which would be paid back over 10 years. This would also help Aria Nails with a new location and the amount Aria Nails would pay for their lease agreement should more or less cover the mortgage at current rates, so Mayor Broska felt comfortable that the City would get the RLF money back.

Mayor Broska noted that Council could not authorize anything regarding this request yet, this was just an informational presentation tonight, because NDS had not approved this loan yet, so the City could not approve anything yet either. NDS would meet regarding this issue on October 6, 2021, so Council could consider this issue at its next meeting of October 11, 2021.

Heidi Ott, Stow resident and owner of Mode of Expression hair salon, said she'd had her business in Streetsboro for 12 years and was a graduate of Streetsboro High School. Mr. Ring said this is exactly what the City should be using the RLF for; this is the type of stimulation and improvement to the City that it was designed for.

Mr. Lampa also supported using the RLF for this to help Aria Nails get a new location and to eliminate some of the blight in the east area of town.

Mr. Kocisko asked when the RLF was used last. Mayor Broska and Ms. Esarey said it had been used for Dunkin Donuts about 20 years ago and more recently for Technology House about 5-6 years ago. It was also used to demolish the Palms Motel and to demolish the old City Hall and the old fire station. Mr. Kocisko wondered what would happen if Mode of Expression defaulted on the loan since this was taxpayer money. Mr. Beni said it would be like a mortgage where the City could put a lien on the building; the City would not be the first in line. Ms. Grubaugh-Ott said she had taken out a \$46,000 loan to build out that location two years ago and had already paid it off; she had 10 years to pay of the RLF and she was confident she could do it.

Mr. Kocisko encouraged the City to do this type of loan more often. Mayor Broska said they tried to offer it as often as they could. If the City ever expended the whole fund, NDS could go back to the State to ask for more money in the RLF for a bigger bankroll. Mr. Kocisko agreed the eastern side of SR 14 needed improved and he supported this loan to refurbish the old Dairy Queen building into a whole new business. He wished Ms. Grubaugh-Ott good luck.

Mr. Lampa commended her for paying off her previous loan so quickly and thanked her for improving her location. He supported approving this request at the next Council meeting. Ms. Esarey clarified that the Revolving Loan Fund currently had \$88,745.98.

#### T-7106 Amend Board of Control Authority

Mayor Broska said it had been mentioned at the last meeting to raise the limit for the Board of Control. Legislation was drafted to increase the Board of Control limit to \$20,000 and the department

head limit from \$3,500 to \$5,000; any expenditures \$20,000 or more had to be approved by City Council. Mr. Kocisko wondered how often projects had to be brought to City Council because the Board of Control could not authorize them. Mr. Miller said this year there were at least two stormwater projects that had to go before City Council. Mr. Kocisko thought it was a big jump (more than double) to go from expenditures up to \$8,500 to \$20,000 for Board of Control to approve. It had been at the lesser level for many years and it seemed like a big increase for just a few instances. Mr. Miller said if anything went wrong with the big plow trucks, a repair could be \$10,000 to \$20,000, and last year he had the Mayor authorize an emergency expenditure that was then reported to Council so the Service Department would not be without the equipment for any length of time. Mr. Kocisko emphasized that the Mayor had that authority if it was a true emergency, and \$20,000 seemed high to him to take out of City Council's hands, so he recommended \$15,000.

Mr. Ring said this change was for all departments with large expenditures, not just the Service Department. Mr. Ring said inflation had caused prices to increase over the last 10-15 years and a \$8,500 limit was no longer appropriate. He agreed with Mr. Kocisko that Council ought to understand all of the expenses before they were done but there would be a need for larger emergency purchases throughout the year, and Council would get the report after the fact through the Board of Control meeting minutes. Mr. Ring supported the \$20,000 limit in today's environment with the increased cost of goods.

Mayor Broska said this issue had arisen because the Fire Chief had needed to make a larger repair to Engine 2616 that was not a true emergency, but the breakdown had happened the day after a Council Meeting and there was not another Council Meeting for three weeks, so the repair had to wait. Mayor Broska also noted that the money could not be spent if it was not budgeted. He hoped that after 10 years Council (and Mr. Kocisko) would have enough faith and trust in the administration to understand that they would not spend money needlessly. Mr. Kocisko said in the past when there was just a part-time Mayor, Council kept a closer watch on the money; he had wanted to present the concerns that had been presented in the past, but he was going to support the change to \$20,000.

Mr. Lampa felt it was time to update the limits for expenditures since it had not been updated in a long time. He said he trusted the administration would not spend money frivolously, and he trusted that the Council Members would read the reports and know what was being done with the taxpayer money. Mr. Ring noted that if it appeared that there was frivolous spending, City Council could change the limits back down.

Mr. Lombardo noted that in the Fire Department it could easily happen that there would be a repair needed for \$16,000 or more that would take a piece of apparatus out of service, and if it happened the day after a Council Meeting, it would take a couple weeks to get approval for the repair. He did not want to see a piece of apparatus out of service for two weeks, and he felt the Fire Chief handled his department well, and Council would get a report of the expenditure. He wanted the Fire Chief to be able to repair his equipment right away and not be without it. He said, if Council felt that the increased Board of Control limit was being abused, then Council could do something about it.

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

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

T-7099 Authorize Annual Sundance CAD Disaster Support

Chief Wain said this was the annual approval for the support system for the Police Department records management. It allowed the department to offer crash reports to the public at their request. It ran the internal records management system. She said the annual price had not gone up since 2007.

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

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

T-7100 Purchase Body Cameras for PD

Chief Wain explained that the department had switched over to GETAC in 2017 and in 2018 the department purchased the body cameras they were currently using. The three year warranty had just ended and the department was finding that the battery life was starting to fail. A camera that would have typically lasted an entire 12 hour shift was now completely drained of battery power at mid-shift. This requested purchase was to replace the entire supply of body cameras for the Police Department with the current generation of cameras. These would have a five year warranty, and then after the five years, there would be another generation of cameras which she hoped would have a better system.

There was no way to change the batteries of the current body cameras. When they failed, the whole unit would be replaced under warranty. Now that the three year warranty had expired, she wanted to replace all the cameras with new units.

Mr. Ring wondered if there were other options from other companies. Chief Wain thought batteries would be an issue from any company. GETAC was moving into future generations of the cameras and she hoped the batter power would be improved. With a five year warranty she didn't expect to make a similar purchase again until 2026 or 2027, and by then it would be at least two generations ahead of what was currently available. If the Police Department changed generations right now into a more advanced generation, it would be a whole additional expense because all the docks and chargers would then have to be replaced too.

Mr. Lampa asked what would happen with the outgoing cameras. Chief Wain said the City would keep them (GETAC did not want them back) and maybe let other City department use them, or see if another police agency, who currently had no body cameras, wanted them.

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

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

T-7101 Amend Ord. No. 2021-110 to Upgrade Water GIS System

Mr. Miller said the original ordinance had included purchase of iPads on the exhibit, but the Water Department workers were more familiar with the Android, so Mr. Miller wanted to have the option to purchase Samsung Galaxy tablets to make the workers for more comfortable. It would still be within the budget, but the original ordinance did not allow the option of which pad/tablet to get.

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

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

T-7102 Renew Drone Insurance

Ms. Esarey said this was an annual renewal of insurance. There was a decrease in the insurance renewal premium. It had been \$1,801 and the renewal was \$1,617 with no change in coverage. This was budgeted in the Police Department 2021 insurance account #101-11-5522.

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

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

T-7103 Create Special Revenue Fund for Bicentennial

Ms. Esarey said she’d been working with the Auditor of State’s office, Local Government Services, to make sure everything for the Bicentennial was set up properly. It was determined the best way to handle the bicentennial was to create a Special Revenue Fund. Normally this was not an allowable Special Revenue Fund, but because of the circumstances, the auditor’s office suggested this would be the best way. In a multiple step process this evening, she was asking Council to create the Fund, do a budget amendment, and then authorize the \$12,000 that had been received from the economic incentive agreements. This would help track both revenue and expenses for the Bicentennial.

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

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

T-7104 Amend 2021 Annual Appropriations [#11]

Ms. Esarey said there were three exhibits tonight. Exhibit “A” was for ins and outs that were needed and the net effect was \$0. As Ms. Esarey had mentioned in her monthly report, Exhibit “B” was to increase the income tax to have a 75% collection through September to reflect the actual revenue and increase the appropriated amount. Because the City was receiving more revenues than previously expected, the RITA fees would go up, so she had increased the budget line for RITA fees by \$20,000. Exhibit “C” was to separate the actions for the Bicentennial so it would be clear. The \$12,000 received from the economic incentive agreements would be put in the Bicentennial Fund with a transfer from the General Fund, as soon as the Bicentennial Fund was created. The exhibit reflected taking out the Bicentennial Statutory in the General Fund and putting it as a transfer from the General Fund into the Bicentennial Fund for the \$50,000 Council had said would go to the Bicentennial celebrations.

It was clarified that there was another \$1,000 (\$13,000 total) from an economic incentive agreement with Buckeye Quality Meats that had not been received yet. Mr. Lampa asked how the \$50,000 Council would authorize for the Bicentennial Fund would get to the Bicentennial Committee so they could spend it on deposits, etc. Ms. Esarey answered that she would be working with the Law Department to work out what to do with the \$50,000. It would need to be legislative based and would

have to show proof of what was being paid for; the City could not write blank checks. Council would need to state it was a donation for a public purpose, and the City would need to get quarterly reports to show what the money given actually paid for.

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

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

T-7105 Transfer Economic Incentive Donations to Heritage Foundation

Ms. Esarey said this was the third part of this process tonight. This was the \$10,000 received from Geis and the \$2,000 received from Simplay3 as an expenditure from the Streetsboro Bicentennial Fund because Council had deemed this as a public purpose and the Streetsboro Heritage Foundation would provide quarterly reports to the City Finance Director.

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

Moved by Mr. Lampa, seconded by Mr. Hannan. 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 Mr. Lampa, this meeting adjourned at 7:44 p.m.

ATTEST:

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Caroline L. Kremer, Clerk of Council

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Justin Ring, Chairman