

THE CITY OF STREETSBORO, OHIO  
**FINANCE COMMITTEE MINUTES**

Monday, March 27, 2023

This Finance Committee Meeting was called to order on Monday, March 27, 2023 at 7:00 p.m. by Justin Ring, Chairman. There was a moment of silence in place of an invocation to remember those killed in a school shooting this morning in Nashville at a private Christian elementary school, and other tragedies around the world. Mayor Broska led the Pledge of Allegiance. Mr. Ring welcomed the high school students in the audience and explained tonight's procedures to them.

PRESENT: Mike Lampa, Justin Ring, Anthony Lombardo, Jon Hannan, Jennifer Wagner, Steve Michniak

ABSENT: Julie Field

ALSO PRESENT: Glenn Broska, Mayor  
Patricia Wain, Police Chief  
Robert 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  
Caroline Kremer, Clerk of Council

**MOTION: TO EXCUSE MRS. FIELD.**

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

**Disposition of Minutes**

**MOTION: TO ACCEPT THE REGULAR FINANCE COMMITTEE MEETING MINUTES OF NOVEMBER 28, 2022 AND FEBRUARY 27, 2023 AS WRITTEN.**

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

**Monthly Financial Report**

Matt Miller said this was the financial report for February. He said the expenses and Purchase Order requests were still heavy at the beginning of the year. He said General Fund expenses were at about 27% and the target was 16.7%. Last year at this time they were at about 22%, so the City was definitely tying up the budget a little faster than last year. The revenues were pretty stable at about 16% (target was 16.7%); the year's revenues (permits, etc.) had not really started yet.

The income taxes had cooled off a little bit. RITA and withholding were up, but net profit was down a bit. The State had a large net profit adjustment that hit the City, and a company had to be refunded. The Finance Department had created a dashboard last year of the top 50 companies for withholding and had been monitoring those companies this year for any large shifts. He said he liked diversity and not just have a couple top companies. Mr. O'Malia had helped with getting a diversity of companies in town. The top 50 companies were up about \$16,000 versus this time last year, which was good to see. The General Fund carryover was at 65%.

Mr. Ring thanked Matt Miller for meeting him last week over lunch to discuss the City finances.

### **Old Business**

None.

### **New Business**

#### **T-7407 Authorize Adjustments to Correct Errors in Receipts from Prior Years**

Matt Miller said there were a few small cash receipts at the end of last year that needed corrected and since the year was closed, this needed to come to City Council to make adjustment to the different revenue lines. There were small amounts for the Water Department and the Building Department. This was to show the Auditor of State the City was on top of the controls and making sure the accounts were correct. The last adjustment was for the OneOhio Opioid Settlement. Money was received for this settlement in 2022, but a Fund was being created tonight, so the correction was needed to put the money into the proper Fund.

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

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

#### **T-7408 Authorize Contract w/State Auditor for 2022 Audit**

Matt Miller said this was an annual expense with the Auditor of State. The State auditors would do the City audit again this year; they would not farm it out this year. Usually, this letter of arrangement was seen by Council earlier in the year, but the Auditor of State was a little behind in their audits this year. This needed to get underway.

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

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

#### **T-7409 Create the OneOhio Opioid Settlement Fund No. 224**

Matt Miller said this was to create a new Special Revenue Fund. When the State had approved a large settlement (18-20 years) with multiple municipalities in Ohio, Streetsboro was to get about \$1,700/year. This money had to go into a separate fund per the Auditor of State to be tracked. Matt Miller wasn't exactly certain what these monies could be used for (maybe drug education, K-9 unit, or DARE supplies), but they had to be kept separate. The first deposit was received in July 2022 and deposited into one of the Police Special Revenue funds, not the General Fund, but

the State had directed that it had to go into a separate Opioid Settlement Fund. Matt Miller hoped it would not have to be reported separately, but be included with the regular annual audit like the ARPA Fund. He thought the Opioid Settlement Fund could be left to grow for a few years to maybe purchase a large item. He did not think it could be used for salary reimbursement. Chief Wain said usually any incoming money that had a specification would be used for either the SRO/DARE program or special equipment that might not be budgeted as an expected expense. She mentioned the Metro SWAT team had an armored Bearcat vehicle that had exceeded its expected lifespan and would probably need to be replaced in the next couple of years and each member municipality would have to contribute their share; this opioid money could maybe be used for that type of expense.

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

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

Update on BS&A Financial Software

Matt Miller said the Finance Department had been working on the implementation of the new financial software for several months. He had sent Council an email of the implementation schedule. Last week was the second data extraction from the old system to the new system with checks to make sure it was balanced. The Finance Department had been meeting virtually with BS&A staff weekly. Matt Miller found BS&A to be very organized. They were doing this transition for many cities. He felt this new system would run much better than the current system.

Matt Miller said there had also been some internal staff web meetings to help educate the users and what was coming and to be able to answer their questions and concerns and to get any needed hardware in place. Right now, only the Finance Department staff was in the system. He said buy-in was important for any new system and wanted to work up to the change over time instead of going into it cold. He said the “go live” date was April 24, 2023 and the system would be down for a few days as they set up the new system starting the week before, as well as Invoice Cloud for online payments. He said they had been working internally regarding citizens making payments, etc. and had moved the due date for water bill payments five days to accommodate this down time. Notice of this down time would be on the website, the water bills, Facebook, and other social media. BS&A would have two trainers on-site for three weeks to help with the transition.

Matt Miller said this would be a big change for the City because it would give the staff more information. The department heads would be able to see the budget, the cash receipts, invoices, Purchase Orders, etc. whenever they wanted to. It had been a goal of his when he joined the Streetsboro staff to make the finances a lot more transparent. There would be about 30 users of this new software and it was all web-based (not server based) so there wasn’t a need to buy much hardware to get this change to happen. Training sessions would continue in the coming weeks with in-person trainers at the end of April. He hoped for a smooth transition, but felt comfortable BS&A could deal with any bumps or problems that may occur because they do this all the time.

T-7410 Authorize Repairs to Police Department Boiler

Bill Miller said one of the two boilers was down and the police station had been running on one

boiler. This repair would be to replace the burners in both boilers. He hoped this would extend their life for five more years, but review them in three years, because new boilers had about a one-year delivery time. New boilers cost about \$250,000 each. The lifespan of this type of boiler was about 30 years and these boilers were original to the building which was built about 24 years ago.

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

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

T-7411 Accept March 2023 TIRC Recommendations

Mr. O'Malia said the TIRC had submitted two recommendations to City Council for approval as noted in the legislation. The CRA Housing Council did not require City Council approval. The TIRC had reviewed the Bulten company on Wellman Road and had acknowledged that the Streetsboro Crossing TIF had expired after 20 years.

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

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

T-7406 Amend 2023 Annual Appropriations [#4]

Matt Miller said this was the fourth adjustment of the year. There were some fixes and some transfers, but the most significant adjustment was the JEDD revenue. Streetsboro had signed an agreement with Shalersville and set up the different mechanisms with RITA to start income tax collection, and the City was starting to receive collections. There was a maintenance fund in regards to this JEDD split, and there was a bi-yearly remittance with Shalersville so Mr. Miller would cut them a check around June. The money would sit in the escrow fund, then he would cut Shalersville a check and cut a check for Streetsboro and deposit it and book it as revenue. There were some rules regarding the maintenance fund and he was working with Shalersville to make sure they had the right documentation because every two years this would get audited by the State as well as the usual City finances.

Matt Miller commented that he had discussed it with the Mayor and currently had 100% of the JEDD revenue going to the General Fund. This was municipal income tax, and the other municipal income tax revenue was currently being allocated 82% General Fund and 18% Capital Improvement Fund, but Council had never really discussed what to do with the JEDD revenue and he did not think Streetsboro would ever use Capital funds at the Shalersville JEDD site. Matt Miller was excited about this new source of revenue, which could maybe help fund a new Police officer or a firefighter, so, at the moment, he had 100% of the JEDD revenue going to the General Fund. He was open to discussion on this issue, and would discuss it with the Law Director in case an ordinance was needed, but for right now as the money came in it just went to escrow; it was not being spent on anything yet (the revenue was not that great yet).

Mr. Ring said he and Matt Miller had discussed this issue. Mr. Ring felt that this was income tax money, just like any other income tax money (withholding and net profit from companies that operate within the JEDD) that came to the City and there was no specificity on where the money

had to be spent. Mr. Ring said if the City put 18% of the JEDD revenue in the 401- Capital Improvement Fund, it did not have to be spent at the JEDD site, it could be spent anywhere in town. Mr. Ring felt, if the income tax revenue was allocated 82%/18%, why would the City change it for this income? Matt Miller was willing to do whatever Council and the Mayor felt best. He noted there was some time to decide because until a company built something and moved into the JEDD site there would not be much revenue. Mr. Ring just felt all the income tax money should be kept the same, but understood there was time to consider the issue. Matt Miller said he would talk with the Law Director and bring something to Council by June to clarify how the JEDD revenue would be allocated.

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

Moved by Mr. Lampa, 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. Lampa, seconded by Mr. Lombardo, this meeting adjourned at 7:25 p.m.

ATTEST:

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Caroline L. Kremer, Clerk of Council

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Justin Ring, Chairman