

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

Monday, June 26, 2023

This Finance Committee Meeting was called to order on Monday, June 26, 2023 at 7:02 p.m. by Jon Hannan, Council President, because the Chairman and Vice Chairman of the Finance Committee were absent to open the meeting.

PRESENT: Jon Hannan, Anthony Lombardo, Jen Wagner, Julie Field

ABSENT: [Vacancy-Ward 1] Justin Ring, Steve Michniak [joined at 7:05 p.m.]

ALSO PRESENT: Glenn Broska, Mayor  
Frank Beni, 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 MR. RING AND MR. MICHNIAK.**

Moved by Mrs. Field, seconded by Mr. Lombardo. Mr. Ring would not be able to attend tonight, but Mr. Michniak was on his way. Upon voice vote, **motion carried.**

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

Moved by Mrs. Field, seconded by Mr. Lombardo. Upon voice vote, **motion carried and the meeting recessed at 7:03 p.m.** [Mr. Michniak joined the Regular Council meeting at 7:05 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 9:21 p.m.**

**Disposition of Minutes**

None.

### **Monthly Financial Report**

Matt Miller said this was the financial report for May 2023 and a little bit into June 2023. The General Fund expenses were about 46% with the target this time of year at 42%. Overall expenses were down about 33%. The General Fund revenue was above target at 46% and Total revenue was almost 50%. The major funds (202-, 203-, and 502- ) were all up, meaning the City received more money than it spent in those funds. The 101- fund was down to about \$9.7 million because there had been a large transfer for the Community Center. There was a little over \$3 million left in the Carryover above the minimum 25% required. RITA collections were up by \$288,000. Withholding was up, which was helping net profit, which was down.

The City was completing the second quarter of collections for the Water Fund. The next water billing would go out in two weeks. The Water Fund was about 50%. It was down about \$30,000 from last year, but he expected it to go back up with collections for the year.

### **Old Business**

#### **T-7441 Allocate 100% of JEDD Income Tax Revenue to General Fund**

Matt Miller said the normal income tax revenue was split 82% toward General Fund and 18% toward Capital Improvement Fund. The JEDD was outside the City limits and it was discussed at a previous Council meeting to just let 100% go toward the General Fund. It was not as much money, and the City would not spend any City Capital Fund money in the JEDD area; there was actually a maintenance fund that was set up when the JEDD was created, so 10% of all collections go to a maintenance fund. It was felt it would be best just to put 100% of the JEDD income tax revenue toward the General Fund.

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

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

### **New Business**

#### **Update on Creating ESID**

Mr. O'Malia had provided a document for Council that was distributed in advanced of this meeting to help answer the majority of Council's questions [see attached]. If the City could offer Property Assessed Clean Energy (PACE), it would be a great way to potentially take care of some of the City's older buildings, because a lot of large businesses in town did not own their property, but rented it from a landlord. If the business was not going to make an expansion, the City could not offer them a tax break, so it was difficult to keep them here. Mr. O'Malia said something he could do was to offer PACE to give a tax break on a new roof or something. But in order to do that the City must create the Energy Special Improvement District (ESID). The City had identified a project at the Service Department to spend a very small amount of money to upgrade the lighting at the Service Garage to LED. The City would borrow the money, although the City could easily pay for it, in order to meet the legislative threshold to actually create the ESID.

Mr. Michniak thanked Mr. O'Malia for creating the document to help explain the issue and reduce

the discussion time in the meeting. Mr. O'Malia would bring the topic back to Council after the legal counsel the Port Authority had retained had prepared the necessary information.

#### T-7442 Authorize HVAC Maintenance Agreement for Fire Department

Chief Reinholz wanted to enter an annual contract with Gardiner for preventative maintenance for the fire station HVAC system. The contract would automatically renew annually unless either party ended it, so it needed Council authorization.

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

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

#### Discuss 2023-2025 Capital Improvement Budget Plan

Matt Miller had distributed to Council a part of the five-year plan (the rest of this year, 2024 and 2025) to give Council an idea of the expectations for the different capital expenditures for the next few years based off the original 2023 budget packet [see attached]. The report showed spending by fund and if the City would be borrowing from the carryover. The City had already moved some money this year for the Community Center as had been mentioned earlier in the Monthly Financial Report. Matt Miller said this helped him know the direction the Administration and Council wanted to go forward with; it helped him model the cash flows because the City could not spend more than it made.

The budget adjustments later tonight included moving some money for the City Center infrastructure and fire station driveway. In 2024 Capital Improvements he had broken down Phase 2 of the City Center based on the estimates of EDG. In 2025 he had included the costs for City Hall design. One of the concerns of Council was to spread out the funding of these projects, while also covering the usual Capital Improvements (vehicles, repairs, etc.) so he showed it in the Capital Improvement Budget Plan. He had even included the costs for the City Sign at the intersection of SR 43 and SR 14.

Matt Miller said normally the annual budget had about \$3 million in the Capital Fund. For the 2024 Tax Budget he had included 0% growth for 2024, so it was important that the spending sub-totals by fund do not go over \$3 million. So, some projects may require the City to use part of the \$3 million carryover. He said this document was to gather all the capital spending information into one place so Council could easily see the different expenditures and what direction the Administration was proposing the City move forward in the next couple of years.

Mrs. Field asked about the cost for design/build of the Floyd North Bicentennial Park in 2023. Matt Miller confirmed those costs (up to \$240,000) would be reimbursed by the State. He added that there would need to be amendments to tonight's budget adjustment exhibit because the City was just going out for design now. Once the bid documents and everything were ready later, the Administration would bring forward new budget adjustments.

Mrs. Field asked about the equal expenditures across the years for City Hall. Matt Miller explained those were the usual annual expenditures out of the Capital fund for the copier lease, Auditor Fees,

OPWC loan annual payments, street striping, etc.; they were kind of annual “fixed costs” that he grouped at the bottom of the list.

Mrs. Field also asked about the \$600,000 expenditure in 2025 for City Hall design that would come out of the carryover. Matt Miller confirmed that was listed as what the City might potentially need for 2025, but City Council would need to decide that. Matt Miller explained that he had listed ending fund projections at the bottom of the report because the City could not ever let a fund go negative. He was acting as if the carryover (above the minimum 25% required) was in its own fund and the report showed that the carryover at the end of 2023 was \$2,893,396, at the end of 2024 was \$666,296, and at the end of 2025 was \$66,296; it was almost like a vision statement married to numbers.

Matt Miller confirmed the ending fund balance projections were above the minimum 25% required in the 101- Fund for any catastrophe. He added that the City tried to keep about \$500,000 in the ending fund balance of the 401- Fund. He said it would dip below that this year, but the reason they liked to keep that balance in the 401- Fund was because sometimes the ODOT projects could come in overbudget and the City had to be prepared for that with a buffer in the 401- Fund; it was an unwritten rule, and in 2024 and 2025 it was getting back to that.

Mr. Hannan said a concern he had was that some of the funds were getting lower, and costs were always increasing and emergencies did arise. He said during this review of the next three years he realized there were a lot of “wants” like the splashpad, but the City “needed” a City Hall. He thought the City Hall should take precedence over the next couple of years because the City had been discussing a new City Hall for 20-30 years and it still had not been realized and the costs were just going to increase. He understood the City wanted to be able to pay everything in cash and not take out debt, but he felt there were different funding options that were available and would better suit the future of the City. He thought the City was just throwing money in rent at the current rented location, and there had been issues with the lease for the Parks and Recreation location, so he was concerned if something similar might happen for the current City Hall location. He wanted to be a proponent of owning a City Hall building and building equity, and not just renting. He wanted the City to look toward that in the next couple of years. He agreed the splashpad and playground was a great idea, but the City needed to focus on some “needs” and plan out the other things and see what other options are out there. He was very concerned over how low some of the funds were getting over the next few years.

Mr. Michniak asked about the expenses for the City Center Phase 2 (splashpad, playground, bathroom) for 2023. Matt Miller said the original 2023 budget had included \$811,000 from the carryover for Phase 2, but that had been reduced to just \$123,900 in the current 2023 Capital budget because it had been pushed off to next year (see columns C, D and J in the five-year plan). Matt Miller hoped this report would help the Administration and Council come up with different mixes for spending. There was a Capital projects fund which included about \$1,000,000 per year in paving, but the City had been doing a lot more in pavement preservation lately so maybe some of that money for maintenance could come out of the 201- Fund instead of the 401- Fund. He said the \$1,000,000 Council liked to have in Capital Improvements for paving each year was 1/3 of all the Capital projects money each year. He said often the City got more than \$1,000,000 in paving

most years because there was cost sharing with OPWC which added to the total expenditure. He asked Council to keep that in mind when strategizing spending for the City; but it all came down to vision. This report showed the Administration's ideas for the City moving forward, but of course everything would need to go to a vote of Council.

Mr. Hannan summarized that he still liked the idea of the splashpad and playground but didn't want to drain the funds and it should all be done in phases over time. Matt Miller said time was one of the tools in the financial toolbox. There were a lot of "hands in the cookie jar" and a lot of Capital requests, so it had to be decided as a group what direction to go.

Matt Miller confirmed for Mr. Lombardo that the \$66,296 projected ending carryover fund balance at the end of 2025 was above the minimum 25% required. Mr. Lombardo wondered if the \$1,000,000 budgeted in the Capital Fund for paving each year could be reduced by whatever amount of other (OPWC, etc.) funding was granted. Matt Miller said that could be done, but Council had preferred to spend at least \$1,000,000 of City funds each year, although it was often doubled with outside funding. Mr. Czekaj added that this report showed what the City was committed to for the next two years because the City had an enormous amount of grant money that it had obtained for SR 14 and SR 43, SR 303 and Diagonal Road, and SR 14 and Ranch Road. The City had already applied to OPWC to do roads next year, which would be an additional \$400,000 if it was granted. Mr. Czekaj suggested that in future years beyond 2025, if Council wanted to reduce the paving amount and just use OPWC \$400,000 to get \$400,000, that was an option, since the roads would be in better condition and not need such major resurfacing.

Mrs. Field said Council had worked hard to be able to budget at least \$1 million in paving each year and she would never want to do less, even if the roads were in better condition and just needed more preservation than being rebuilt/resurfaced because there were other paving projects like additional parking lots, etc.

Mr. Hannan said Council had set the ordinance to require the 25% minimum annual carryover, but Matt Miller had indicated that was a rather high minimum. Mr. Hannan thought Council could adjust that amount lower if there was a need to use the carryover do to what the City wanted to do. Matt Miller said the standard policy was to have at least two months worth of operating expenses in the carryover, but he could probably get four months out of the carryover Streetsboro required and that minimum requirement had not changed since Ord. No. 2016-125. Mr. Hannan said it had been considered to reduce the minimum annual carryover percentage, but Mr. Ring was very against it. Mr. Hannan wondered if there was a way to pay it back if Council were to reduce that minimum requirement to speed projects up for a couple of years. Matt Miller said he would parallel that with a plan like this because the Capital Improvements plan was where a lot of the big-ticket items were; he would mirror it with a pay back plan to make sure money was allocated to be paid back into the "carryover fund." He noted that Ord. No. 2016-125 did provide a provision to go under the 25% if it were an emergency situation; emergency was not defined. Mr. Hannan said he did not really want to reduce the paving budget either because residents still complained about the condition of the roads, but maybe to get the capital projects done and still keep the other City services at par, maybe Council could discuss reducing the 25% minimum requirement for a year as an option. Matt Miller said because of the projects the City was already committed to for

the next two years, the earliest the City could do what Mr. Hannan was suggesting would be for 2026. Mrs. Field said she would really hesitate to do what Mr. Hannan was suggesting; there was a reason why Council had decided to have the 25% minimum carryover and \$1 million in paving and she wanted to maintain that. She thanked Matt Miller for putting together the Capital Improvement Budget Plan spreadsheet and Council appreciated the discussion.

T-7444 Accept Donation of German Shepherd Puppy for PD

Chief Wain reported that Bo, a previous K-9, had died and been laid to rest this morning. Tonight she was requesting Council accept the donation of a puppy from Officer Miktarian's family that would become a K-9 for the Streetsboro Police Department. Officer Miktarian had been a K-9 officer who had been killed in the line of duty in 2008. Officer Miktarian's widow now had a female German Shephard and had bred her with Officer Miktarian's dog's frozen sperm and there were now 4-week-old puppies. It was a legacy and an honor to get one of the puppies that Mrs. Miktarian had agreed to donate to Streetsboro. Twinsburg was not in a position to add a K-9 to their Police Department, so Mrs. Miktarian looked to Streetsboro to accept a puppy.

The puppies' temperament would be assessed in the next few weeks and then Streetsboro would get the pick of the litter. Office Luke Nelson was to be the K-9 officer; he was currently the DEA Task Force liaison officer. The K-9 would not be the standard patrol dog but it would have the added benefit of getting the City potentially involved in some additional seizures and asset forfeitures. The K-9 would participate in public relations activities.

Chief Wain said the funding to be used for the training and equipment, which would be much less than outfitting an additional K-9 cruiser since the dog could use the DEA Task Force liaison officer's car, would come out of the 208- Fund (money designated from asset forfeitures, seizures, OVI fines, etc. specifically for equipment and training).

T-7445 Accept Donation of Breaching Kits from Home Depot

Chief Wain explained Officer French had gone to an active threat training session where they were taught how to breach doors. The Fire Department had volunteered to allow the Police Department to use their breaching door tools. Home Depot had agreed to donate, over time, breaching kits for each of the cruisers.

**MOTION: TO MOVE T-7444 ACCEPT GERMAN SHEPHERD PUPPY AND T-7445 ACCEPT BREACHING KITS TO TONIGHT'S REGULAR COUNCIL MEETING.**

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

T-7446 Accept Donation of \$2,000 from Streetsboro Dairy Queen

Mr. Mytinger said this was to accept a donation of \$2,000 from Streetsboro Dairy Queen for the Parks and Recreation Department to offset fees and costs associated with programming. Thank you to Dairy Queen.

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

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

T-7447 Accept Donation of \$200 from Raising Cane's

Mr. Mytinger said this was a donation of \$200 from Raising Cane's of Streetsboro to go toward the Recreation Fund to offset programming expenses and costs. Thank you to Raising Cane's.

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

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

T-7448 Contract w/EDG to Design Phase 1 of Floyd North Bicentennial Park

Mr. Mytinger said this was a contract to start the process of the Floyd North Bicentennial Park development. The total development would be divided into four phases. This was for Phase 1. The money used for this project was part of the State grant money and was reimbursable.

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

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

T-7449 Authorize Contract w/Energy Harbor for Streetlighting

Mayor Broska said Buckeye Energy Brokers had secured a very favorable price for the streetlighting for us. There were many streetlights in town that the City was responsible to keep lit. As some of the existing orange lights burned out over time they were being replaced throughout the City with brighter, longer-lasting LED lights. The City had replaced all the light bulbs along the SR 14 corridor from Portage Pointe Drive down to Diagonal Road. The price secured was 5.39 cents/kilowatt hour. This would save about \$39,405 for the year with this new pricing agreement.

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

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

T-7450 Authorize Contract w/Fabrizi Trucking to Move Soil

Mr. Czekaj said with the Community Center being built, the dirt being excavated was very usable for what was planned at the City Center site. This was an emergency measure that had been reported to Council, but still needed Council authorization for an amount not to exceed \$15,000 for Fabrizi Trucking and Paving to move the dirt and stockpile it at the City Center site in a position where it could be used when the City Center site was developed. It was estimated that about \$50,000 was saved to get the dirt to the new site.

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

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

**MOTION: TO ADD T-7451 WAIVE FEES FOR COMMUNITY CENTER CONSTRUCTION TO TONIGHT'S FINANCE COMMITTEE AGENDA.**

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

T-7451 Waive Water Utility Connection Fees, Building Permit Fees, and Engineering Fees for Construction of the Community Center

Mr. Mytinger said this was to waive the fees that the City would normally charge for building a new building since the City would just be paying the City, so the Law Department thought it would be prudent to just list them all and asked Council to waive them. The construction company was working on water connections this week.

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

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

T-7440 Amend 2023 Annual Appropriations [#7]

Matt Miller said these were miscellaneous items moving money between different funds. There was a receipt of money from the insurance company for the Deer Meadow monument sign repair which would be immediately spent out of the fund for the repair. The Police Chief's dog training would be in this budget adjustment, as well as the Service Department's need for additional salt purchases. There was also an adjustment to move money out of 401-61-5717 into a line for the City Center Improvement.

Matt Miller asked to make a few updates to the exhibit regarding the Floyd North Bicentennial Park because the Parks Director was just going out for design right now. He listed the account numbers and amounts to be removed or adjusted on this exhibit. He would provide an updated exhibit to the Clerk in the morning.

**MOTION: TO ADOPT THE AMENDMENTS TO THE EXHIBIT AS DESCRIBED BY MATT MILLER.**

Moved by Mrs. Field, seconded by Mr. Lombardo. Mr. Czekaj mentioned that he would probably need additional money appropriated for paving because of the truly poor condition of the underlayer of the Stonegate roads currently being resurfaced. He asked for an additional appropriation of \$20,000-\$30,000. Matt Miller reduced the amount being taken from the Miracle Lane Culvert Replacement Project from \$500,000 to \$470,000 so \$30,000 could be used for paving Stonegate roads.

**MOTION: TO ADOPT THE AMENDMENT TO \$470,000.**

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



voice vote for the previous motion to amend the exhibit, **motion carried**. Matt Miller would provide an updated exhibit for all the amendments to the Clerk in the morning.

**MOTION: TO MOVE THIS TO TONIGHT’S REGULAR COUNCIL MEETING AS AMENDED AS EMERGENCY LEGISLATION.**

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

**Citizens’ Comments**

Mrs. Field asked if the recently discovered condition of the Stonegate roads would delay the overall project. Mr. Czekaj said they had negotiated today with Perrin on what kind of repairs would be done and the work would proceed on schedule tomorrow, so there should be no delay to the project schedule. Mrs. Field thanked Mr. Czekaj and John Wood for being on top on this project daily as the work progressed.

**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 Mrs. Field, seconded by Mr. Hannan, this meeting adjourned at 10:12 pm.

ATTEST:

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Caroline L. Kremer, Clerk of Council

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Justin Ring, Chairman