



Finance Committee

Monday, March 20, 2023, 8:00 A.M.

Virtual meeting pursuant to Chapters 113 and 115 of the Codified Ordinances (as amended in Ordinance 22-28), and Resolution 22-29, enacted on March 22, 2022.

Members present: Council Member, Anne Williams, Chair
Council Member, Nancy Moore
Council Member, Tres Roeder
Council Member, Earl Williams
Citizen Member, Anthony Moore
Citizen Member, Martin Kolb

Others present: Mayor, David E. Weiss
Chief Administrative Officer, Jeri E. Chaikin
Director of Finance, John Potts
Chief of Police, Wayne Hudson
Neighborhood Development Specialist, Brendan Zak
Sustainability Coordinator, Michael Peters
Frank GoForth, League of Women Voters

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APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF FEBRUARY 21, 2023.

Chair Anne Williams stated that the minutes of February 21, 2023 meeting were approved after corrections.

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REQUEST TO ACCEPT AND APPROPRIATE A GRANT FROM THE CUYAHOGA COUNTY SOLID WASTE DISTRICT IN THE AMOUNT OF \$16,344 FOR A NEIGHBORHOOD COMPOSTING PILOT PROGRAM.

Sustainability Coordinator Michael Peters requested to accept and appropriate a grant from the Cuyahoga County Solid Waste District in the amount of \$16,344 for a neighborhood composting pilot program.

For the last several years the City have been working on ways to divert more waste out of the landfill. Food waste generally composes about 30% of municipal waste. The City has been successful in increasing the amount of food waste diverted every year for the last couple of years. In 2022, the city diverted almost 600,000 pounds of waste out of the landfill. This grant proposal will help the City continue on this trend. In particular, to figure out ways that the City might pilot a wider municipal program.

CITY OF SHAKER HEIGHTS

The City submitted a grant proposal to the Cuyahoga County Solid Waste District under its Special Projects grants program in February. The proposal, created in collaboration with Rust Belt Riders, was to pilot a larger-scale composting program that increased access to composting for more residents. The pilot, which will be refined over the coming weeks to a greater degree of detail, proposes to create a neighborhood-based composting program open to all residents of the neighborhood. If successful, the goal would be to use the findings of the pilot to determine the feasibility of a citywide program.

The Lomond neighborhood is the intended location of the pilot, and it would include extending composting to Lomond School (with the agreement of the appropriate parties at the School District).

Rust Belt Riders would operate the program and ultimately be the recipient of the grant funds, which may require a contribution from the Sustainability budget (which has funds allocated for such a purpose) as the grant award was less than the requested amount.

The grant award is \$15,600 for the servicing of the compost containers that are part of the pilot and \$744 for the development of educational materials supporting the pilot. The total grant award is \$16,344. This is a reimbursement grant so the City would pay the invoices from Rust Belt Riders and then submit for reimbursement to the Cuyahoga County Solid Waste District.

The Sustainability Committee reviewed this request at its March 9th meeting and voted unanimously in favor of recommending acceptance. The Committee has long supported greater accessibility of composting in the City and the collaboration with the Schools was noted as a plus, especially as two of the elementary schools currently have a composting program with a third in development.

Council Member Nancy Moore added that Mr. Peters has been extremely successful in grassroots efforts in encouraging them to begin these composting programs in individual elementary schools. The challenge is coming up with the total budget. With the school pilot in place, the City could create a citywide program for food composting. Doing this process under five years is astounding. Council Member Moore attributed Michael's positive leadership with both the schools and the community and thanks him for his support.

The Finance Committee approved the request to accept and appropriate a grant from the Cuyahoga County Solid Waste District in the amount of \$16,344 for a neighborhood composting pilot program.

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REQUEST TO AUTHORIZE THE EXPENDITURE OF FUNDS FROM THE LAW ENFORCEMENT TRUST FUND (FUND 702) IN THE AMOUNT OF \$11,041.95 FOR REPLACEMENT GLASS FOR THE POLICE DEPARTMENT'S LENCO BEARCAT RESCUE VEHICLE.

Chief of Police Wayne Hudson requested to authorize the expenditure of funds from the Law Enforcement Trust Fund (Fund 702) in the amount of \$11,041.95 for replacement glass for the Police Department's Lenco Bearcat Rescue Vehicle.

The City is a part of the Eastside Departments Group Enforcement (EDGE) and utilizes the rescue vehicle when necessary to get the SWAT team to different locations safely. This vehicle is also utilized for community service and engagement activities. The ballistic glass for the rescue vehicle has been delaminated due to age. The delamination of glass reduces the reliability of its ballistic protection and requires replacement.

LENCO Armored Vehicles (LAV) has provided a detailed quote for the replacement of all glass panes in the vehicle. The quote includes removal of the defective glass and installation of the new. LAV is a sole source provider directly from the factory. On March 2, 2023 this item was presented to the Safety and Public Works Committee and two questions were answered. Question one asked if the cost of the item included transportation of the vehicle. The answer is it does not. This will be worked out with the company. The second question was does the cost seem reasonable to the Police Department. The answer was yes, given the labor costs and warranty being included.

Citizen Member Anthony Moore asked for indication about the transportation in which the vehicle is being transported to; mainly how long does that transportation take and what kind of costs are there. Chief Hudson stated the department is still looking into exactly how the vehicle will be transported. There are several ways to transport but the most efficient way is to contract with a transportation company to have the vehicle moved. Chief Hudson mentioned he is working with Commander Mastnardo to find out the transportation location and once the information is final, they will update the Committee. Citizen Member Moore stated to Chair Williams that while the request seems appropriate it seems the request is a bit lacking not to know about the transportation aspect before the approval. Chief Hudson stated the transportation of the vehicle is likely to come out of the Police Department's budget.

CAO Chaikin clarified the reason for this item to come before the committee is not to approve the purchase but because Council is required to approve expenditures out of the Law Enforcement Trust Fund and is not considered a sole source purchase. This should be clarified in the memorandum before going to Council. Director Potts agreed.

Council Member Earl Williams questioned if the City used the vehicle with other police departments and if so do they ever ask to contribute to anything. Chief Hudson stated the vehicle in question does belong to the City. There is another vehicle that a separate agency takes care of and the City will be purchasing another.

The Finance Committee approved the request to authorize the expenditure of funds from the Law Enforcement Trust Fund (Fund 702) in the amount of \$11,041.95 for replacement glass for the Police Department's Lenco Bearcat Rescue Vehicle.

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REQUEST TO ENTER INTO A PURCHASE AGREEMENT WITH MR. CALEB MORRIS TO ACQUIRE A CITY OWNED VACANT PARCEL LOCATED AT 14109 BECK ROAD (PPN: 731-11-038) FOR \$1.00 TO BE UTILIZED AS AN EXPANDED SIDE YARD FOR HIS PROPERTY & REQUEST TO ENTER INTO A PURCHASE AGREEMENT WITH MR. ALLEN SIEGEL TO ACQUIRE A CITY OWNED VACANT PARCEL LOCATED AT 3159 LUDLOW ROAD (PPN: 731-17-046) FOR \$1.00 TO BE UTILIZED AS AN EXPANDED SIDE YARD FOR HIS PROPERTY.

With approval to present together but vote separately, Neighborhood Development Specialist Brendan Zak requested to enter into a purchase agreement with Mr. Caleb Morris and Mr. Allen Siegel to acquire a City owned vacant parcel located at 14109 Becket Road & 3159 Ludlow Road (PPN: 731-11-038 & 731-17-046) for \$1.00 to be utilized as an expanded side yard for their properties.

Both of these applications are in the Ludlow neighborhood. Mr. Morris plans to use a side lot to expand his outdoor space as does Mr. Siegel. Both applications meet the qualifications and conditions for the acquisition of a City owned property. The applicants' homes are owner occupied and the properties are not in foreclosure and is current on property taxes. There are no outstanding building, housing or zoning code violations. The applicants' properties will be permanently consolidated with the vacant lot. This is consistent with the City and neighborhood goal of expanding the size of lots in the neighborhood. The City has no redevelopment plans for either vacant lot and the agreement will specify that any large trees on the property must remain unless there is a documented disease or other natural event that requires a removal of a tree. The staff does consider the use as described as an improvement over the City maintaining a vacant lot. Both of these applications were presented and heard by the Neighborhood and Economic Development Committee two weeks ago and both unanimously approved.

The Finance Committee approved to enter into a purchase agreement with Mr. Caleb Morris to acquire a City owned vacant parcel located at 14109 Becket Road (PPN: 731-11-038) for \$1.00 to be utilized as an expanded side yard for their properties.

The Finance Committee approved to enter into a purchase agreement with Mr. Caleb Morris to acquire a City owned vacant parcel located at 3155 Ludlow Road (PPN: 731-17-046) for \$1.00 to be utilized as an expanded side yard for their properties.

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AUTHORIZING THE EXECUTION OF CERTIFICATES BY THE DIRECTOR OF FINANCE AND THE PAYMENT OF AMOUNTS DUE UPON CERTAIN CONTRACTS FOR WHICH THE FINANCE DIRECTOR HAS ISSUED THEN AND NOW CERTIFICATES IN CONNECTION WITH CERTAIN EXPENDITURES.

Finance Director John Potts requested to authorize the execution of certificates and the payment of amounts due upon certain contracts for which the Finance Director has issued then and now certificates in connection with certain expenditures.

Director Potts stated the purchase orders mentioned on the memorandum were unfortunately ones that did not get a blanket purchase order in in time. He also stated he takes the then and now analysis seriously and will be resolving this by communicating with the departments the importance of this process.

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DISCUSSION ITEM: 2022 YEAR-END RESULTS (UNAUDITED)

Director Potts stated that 2022 has been closed in the Munis software. Closing the year takes longer so by mid-February, the department had the unaudited results. The department is currently compiling the annual financial statements which will then be audited by the Auditor of State, in turn

will be completed by mid-summer. Revenues came in 1.3% higher than projected. In October of 2022, expenses were almost right according to projection and was discussed with Council in November. Director Potts stated the department is projecting that the General Fund Reserve will end the year at approximately 41.7%. Listed in the memorandum were some explanations that are high level on the income and expenditure variances.

Council Member Tres Roeder congratulated the Finance Department on forecasting the year's budget as this is difficult to do even under the most normal circumstances. Every department was involved with this being so close on revenue and almost spot on in terms of expenses. He inquired if there were any implications on the revenue or cost side for 2023 as we are almost one quarter into the year.

Director Potts stated he now pulls income tax data once a week and analyzes trends monthly with the Mayor. Income tax receipts have started the year strong. Entering tax season is usually a good indication of how he thinks the year will go. Director Potts stated that the City will likely beat the budget on investment earnings which is about a million dollars. These are both positive signs and on the expenditure side Director Potts stated that he needs a couple quarters to see how the year looks because the City budgets annually versus monthly. The City did budget to fill positions but needs to be able to see those positions filled and utilizing the budget for a better outlook. Director Potts also stated on the positive side he believes the investment earnings will do rather well this year even better than budget. Citizen Member Martin Kolb agreed with Council Member Roeder on the superb forecasting and appreciates all the work done in this area and how he has advanced the practice here.

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There being no further business, the meeting was adjourned at 8:40 a.m. The next meeting will be April 17, 2023.

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Respectfully submitted,

John J. Potts, Finance Director
Finance Committee