

FINANCE COMMITTEE MINUTES
APRIL 15, 2025

The Finance Committee meeting was held on April 15, 2025, at North Royalton City Hall, 14600 State Road. The meeting was called to order at 7:19 p.m.

PRESENT: **Committee Members:** Chair Paul Marnecheck, Vice Chair Michael Wos, Linda Barath; **Council:** John Nickell, Joanne Krejci, Mary Gorjanc; Heidi Webber; **Administration:** Mayor Larry Antoskiewicz, Fire Chief Robert Chegan, Police Lieutenants Cutler and Redrup, City Planner Ian Russell, Finance Director Jenny Esarey, Economic Development Director Tom Jordan, Law Director Tom Kelly, Clerk of Council Helen Dunlap; **Other:** Joel Spatz, Dana Schroeder, Jessica Fenos, Vincent Weimer, Anthony Santangelo, Christine Fitzpatrick, Jan Novinc, Mary Jo Hanlon, Jeff Hess, Bill Helmet, Rich Harrell, Barbara Wilson, Ken Krejci, Gege Kall, Eric Milano, Michael Beck, Jan Sadowski, Matt Coleman, Fred Billock, Michael Peters, Terri Kroboth, Vera Matussek, Courtney Scheff, Karon Tinley, Angeline James, Gary Wolfe, Lisa M. Wolfe, Michael London and others that did not sign in.

Approval of March 18, 2025, Finance Committee minutes. Moved by Mr. Marnecheck, seconded by Mr. Wos. Vote: Yeas: 3. Nays: 0. **Motion carried.**

UNFINISHED BUSINESS

1. Monthly Finance report including tax collections status

Ms. Esarey stated that for the collections through April for income tax, we are right at budget. Overall, for the operation, we are running close to budget for everything. As stated last month, when you look at encumbrances, do not look at those overall because many time the departments will encumber for the entire year.

2. Overtime

Ms. Esarey stated that we should have been at 25% and overall, we are at 22%. There is one for the City Hall Building and Grounds that is higher but that is part of the budget amendment that they will discuss later in the meeting.

3. Property Tax Legislation

Ms. Esarey stated that the old House Bill still has not had any movement. House Bill 28, which would eliminate the property tax levies for replacement levies did pass the House and now it is in the Senate. She is going to be making calls along with the Mayor because we do not want that right taken away from us. For our EMS levy, we would like the ability to decide what is the best way for us to present it to the voters so that we can fund our EMS. We are watching this and will be making calls to hopefully stop that.

Mr. Wos stated that he read something today which was a proposal to give homeowners a one-time tax-cut. What they were proposing was the school districts that are sitting on a large amount of money in their General Fund to possibly take that money and give a tax refund to the property tax payers.

Ms. Esarey stated that there are a few House Bills that are there. One of them is House Bill 89 which is a temporary property tax reduction that is still sitting in the House Ways & Means and hasn't moved. There is another one, House Bill 103 which talks about increases in the Homestead Reduction and that is still sitting in the House Ways & Means. This is not the elimination as Mr. Wos mentioned. House Bill 143 was moved to the House Ways & Means on March 5 and that was to authorize property tax exemption for certain long-term homeowners. There are a lot of property tax bills being discussed right now. The one that Mr. Wos is talking

about, House Bill 156 is to authorize a property tax freeze for certain owner-occupied homes and that moved to House Ways & Means on March 19th. They are being discussed but nothing has been finalized yet. A lot of those do not have a summary. They are in their infancy stages on those. She keeps track of all of these to make sure that we are on top of them.

NEW BUSINESS

1. Ordinance 25-75 – Alternative Tax Budget

Ms. Esarey stated that this is done every year. It is a requirement by Cuyahoga County. She has to turn this in but it does not need to match our annual budget. It is an estimate that basically shows that we as a city have a need for Cuyahoga County to levy the property taxes that we do get. It does not have to match the 2026 budget that will be presented later this year.

Mr. Marnecheck moved; seconded by Ms. Barath **to recommend Ordinance 25-75 to Council**. Vote: Yeas: 3. Nays: 0. **Motion carried.**

2. Ordinance 25-76 – Amend Original Appropriations

Ms. Esarey stated as discussed, the overtime is being looked at in the General Fund but that is an in and out. We are looking at adding \$750,000.00 to the Street Maintenance Fund for additional roads. We had a rough winter and there was savings for Royalwood and Julia. The \$500,000.00 is still in that account. Even with the carryover from the 2023-2024 in the 211 Fund, it would still leave moneys available to take the \$750,000.00 to allocate that to do road maintenance that was already approved for in Ordinance 25-42 and 25-43 which is the asphalt and the concrete agreements.

Mr. Marnecheck moved; seconded by Mr. Wos **to recommend Ordinance 25-76 to Council**. Vote: Yeas: 3. Nays: 0. **Motion carried.**

3. Ordinance 25-79 – Availability of Funds per ORC 5705.41 (D)

Ms. Esarey stated that this is something new but not something new. The Then and Now Certificates have been happening for as long as she has been doing this. What has happened is the auditors are looking at ORC 5705.41. They are looking at a different level of council approval with regard to when a purchase order is encumbered and when a purchase has been made. The Mayor and she have been talking to department directors and explaining to them that this is something that the auditors are looking at so in order for us to have compliance, she is presenting Ordinance 25-79 that reviews the first quarter of 2025 for items that she had to stamp with a Then and Now that were over \$3,000.00. The purchase order and amounts of what it was for and the account numbers are all in the exhibit. This is something that council will see frequently. The first quarter of the year was probably the worst. We are working through some things. A lot of times people might forget that they did not do a purchase order and therefore the beginning of the year is sometimes the hardest. That is why the encumbrances are so large, because they are covered throughout the rest of the year.

Ms. Gorjanc inquired as to Ordinance 25-76, why is the Juvenile Diversion program being terminated.

Mr. Kelly replied that his understanding is that the program was not being very well utilized. Many years ago, the program was an actively ongoing, monthly experience. It was when we had the opportunity to handle juvenile traffic tickets. Some years back, the Juvenile Court mandated that all of those traffic tickets go back downtown. As a result, we were left with only the juvenile offences that are not traffic such as a kid threw the brick through a window or something. We do not have enough of those to justify retaining it. It was a good program when we had the traffic issues. It saved a lot of people the headache of driving downtown. It was simply underutilized. The Chief recommended that it be cancelled.

Ms. Esarey mentioned that she can confirm that, because she would have to do a monthly report and many months there were zero participants.

Ms. Gorjanc stated if a kid is arrested then they have to go down to Juvenile Court.

Mr. Kelly replied that is correct.

Mr. Marnecheck moved; seconded by Ms. Barath **to recommend Ordinance 25-79 to Council.** Vote: Yeas: 3. Nays: 0. **Motion carried.**

ADJOURNMENT

Moved by Mr. Marnecheck, seconded by Mr. Wos to **adjourn the April 15, 2025 Finance Committee meeting at 7:29 p.m.** Yeas: 3. Nays: 0. **Motion carried.**

Meeting adjourned at 7:29 p.m.