

**FINANCE COMMITTEE MINUTES  
JANUARY 19, 2021**

The Finance Committee meeting was held on January 19, 2021, at North Royalton City Hall, 14600 State Road. The meeting was called to order at 7:44 p.m.

**PRESENT:** Committee Members: Chair Paul Marnecheck, Vice Chair Mike Vos, Linda Barath; Council: Jeremy Dietrich, Vincent Weimer, Jessica Fenos, Joanne Krejci Administration: Mayor Larry Antoskiewicz, Law Director Thomas Kelly, Fire Chief Robert Chegan, Police Chief Ken Bilinovich, Finance Director Eric Dean; Other: Dan Langshaw, Gerald Aust, Gerald Aust, Sr., John Nickell, Jonah Pichette, Marty Toukonen

Approval of November 17, 2020, Finance Committee minutes. Moved by Mr. Marnecheck, seconded by Mr. Vos Yeas: **3**. Nays: **0**. **Motion carried.**

**UNFINISHED BUSINESS**

**1. Monthly Finance report including tax collections status**

See handout

**2. Overtime**

Mr. Dean states employees can bank their overtime which we call comp time, and at the end of the year they can cash it out, its kind of looks like we have a lot of overtime, but they are required to cash that overtime out. It is part of the union contracts. The first payment of year was just at \$56,000.00, we are up a little bit, but that will even out as we go forward. There is a cap on how much an employee can incur and that cap is adjusted at the end of the year.

**3. Jail Task Force Update**

Mrs. Barath states we had the presentation at the last meeting, but we really have not met since the last meeting. I would assume that the meeting would begin again, but I have not been notified yet, but I will follow up.

Mr. Toukonen states nothing has been scheduled yet because end of the year and holidays everyone is doing their end of the year tasks. You can see how we compare with the other years with the handout provided, with a COVID filled 2020. The number of people that have been processed in the jail; each month are back to the pre-COVID level. We are back to where we were in January, and before COVID. This has been an ongoing trend since October. The only thing different for us as far as the pre-COVID stuff is the length of time that people are staying in jail because the Courts have been very efficient getting these people seen and managing their caseloads, and moving forward. On the backside of this you still have court sentences that you typically get in, these Courts have been backlogged on the later portions of these criminal cases. Things are slow from the Court's disposing of these cases, but hearing them on a quicker timeframe that is why we don't have as many people in jail. All the changes that were made in July and the realigning of the staffing, the jail was able to save about \$87,000.00 from our part-time and overtime budget. We continue to keep going with these budgetary steps.

See handout

**4. COVID relief funds**

Mr. Dean states we received \$1.7 million in COVID funds received last year. The County received COVID funds and they released some to the City, we are waiting on \$70,241.00 from the County. We just have to submit that to them to get reimbursed. We created a special fund for this money, so it will go back to the that fund. The ones that we submitted to the County, is overtime to the Fire Department, disinfectant equipment

that we are purchasing that we will get reimbursed for. Hopefully we will get more funding for 2021, there are costs, there are still issues going into this year, but I will make sure Council is up to date on that.

**5. The Buckeye Institute, et al. v. Megan Kilgore, et al Franklin County Court of Common Pleas Case # 20CV-4301**

Mr. Marnecheck stated this is the lawsuit looking to allow individuals to only have to pay income tax in the municipality that they are working in. For example, my day time employer is located in the City of Cleveland, but I have been working in North Royalton since St. Patrick's Day. This might allow individuals in my position to only have to pay income tax for North Royalton and possibly receive a refund from Cleveland. I asked the Law and Finance Departments to provide Council with an update.

Mr. Kelly states the posture of the case has not changed; you will recall back in March the Governor issued an Executive Order essentially making the status quo the norm for these purposes. The Legislature then enacted House Bill 197, a portion of which essentially directs that all taxation for municipal corporation should remain as if those working from home were still working at their regular office, their regular place of business.

Essentially the Legislature agreed to the Executive Order and with the Governor to create the fiction that even though you are working from home, your taxes are paid to the municipal corporation wherein you used to constantly appear for providing your services to your employer. The Buckeye Institute filed this lawsuit back in July. In November, the Franklin County Auditor, Megan Kilgore through her legal counsel as well as Ohio Attorney General David Yost, joined together in filing a Motion to Dismiss based on certain legal grounds that they think apply, and ought to be regarded and to knock out the Buckeye Institute suit. The Trial Court had previously laid down the calendar for the proceedings and because of that, and because of the pressure of the time, both Plaintiffs and Defendants joined together in a Motion to Stay All of the Other Proceedings and Discovery in this case. The Court granted the joint motion in December. We are simply waiting for Judge Woods to make a determination as to whether the Defendants' Motion to Dismiss is meritorious until he decides that the posture of the case remains the same. There are a lot of different cities that are going to be impacted by the outcome of this court case. It is entirely likely that this is not going to be decided at Trial Court, it is likely going to go to the Court of Appeals, and maybe to the Supreme Court. This isn't going to get decided, I think, is not going to get decided anytime soon. We will let you know as things progress; what comes out of the Trial Court. Mr. Marnecheck pointed out how this would impact every Ohio Municipality.

Mr. Dean states the only thing that RITA told us is that if you ever got a refund for working at home prior to COVID, you could probably get a refund during COVID probably for the same amount. But, they are not really honoring any refunds based on this case going forward.

**NEW BUSINESS**

Mr. Marnecheck states I wanted to discuss that we are spending about \$300,000.00 on equipment tonight. Mr. Dean this was in the budget that we approved, right?

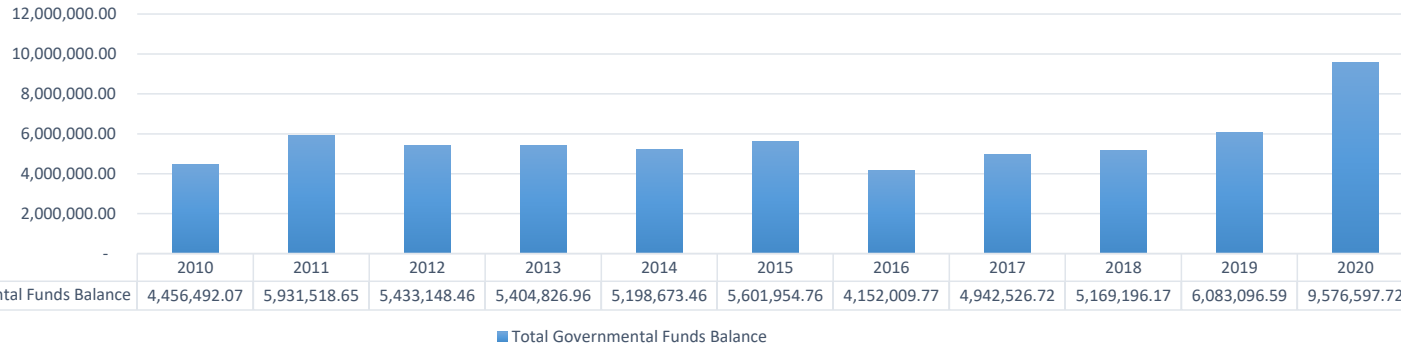
Mr. Dean states yes. All of this equipment was in our original budget. This was some of the stuff that we were hold off on last year waiting to see how we ended up, and this is all needed equipment.

**ADJOURNMENT**

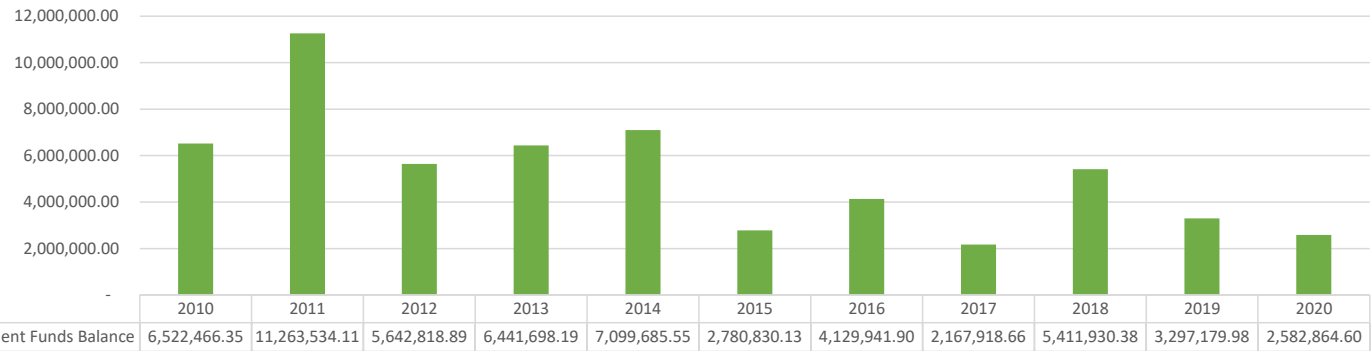
Moved by Mr. Marnecheck, seconded by Mrs. Barath to **adjourn the January 19, 2021 Finance Committee meeting**. Yeas: 3. Nays: 0. **Motion carried.**

**Meeting adjourned at 8:09 p.m.**

### Total Governmental Funds Balance



### Total Capital Improvement Funds Balance



### Total Wastewater Funds Balance

