

MINUTES OF THE FINANCE COMMITTEE
September 3, 2019
East Conference Room

Present: Chairman O'Malley and Councilmembers George and Bullock

Also Present: Councilmembers Litten, Bullock, O'Leary, and Rader, Finance Director Pae, Keith Schuster of the Finance Department, Clerk Bach, and Deputy Clerk Lascu taking minutes

Call to Order: 5:34 p.m.

Approval of the minutes of the June 24th meeting of the Finance Committee

Chairman O'Malley moved to approve the minutes of the June 24th Finance Committee meeting, which was seconded by Councilwoman George. Both members present voted in favor. Motion passed.

ORDINANCE 21-19 – AN ORDINANCE to take effect immediately provided it receives the affirmative vote of at least two thirds of the members of Council, or otherwise to take effect and be in force at the earliest period allowed by law, authorizing the transfer and advance of certain funds. (Placed on 1st reading and referred to Finance Committee 7/1/19, 2nd reading 7/15/19)

Director Pae and members of the committee reviewed the transfer of funds process and noted that this is a standard practice and all transfers have been approved previously. Chairman O'Malley made a motion, seconded by Councilwoman George, to recommend adoption. Both members voted in favor. Motion passed.

Mid-year revenue report

Director Pae and Assistant Director Schuster reviewed the mid-year revenue report with councilmembers. It was indicated that the Finance Department has projections regarding municipal income tax and property taxes for the following year. The department received the final installment of property taxes from last year, which totaled \$1.4 million in revenue and reflected the difference in property valuations. The department also showed a true net increase of 3.6% in income tax, which shows that the local economy is healthy. The Federal Reserve lowering rates by 25 basis points will have an impact on the city's interest income, which caused the city to adjust its portfolio a bit as call dates have been moved up. Waste and water fees are on track and the city received \$77,000 more this year in local government funds than the year prior. Over the past several years, the city has been receiving about a 2% increase and about a 15% increase from last year in county property valuations. Looking ahead to 2020 revenue projections, what the Finance Department is seeing this year is likely what it will collect next year.

There was brief discussion on inside and outside millage on property tax collected by the city and whether the schools stood to benefit from increases in property valuations. The municipal

court's revenue figure was also briefly discussed, with it being noted that it usually collected about \$1.1 million annually.

2020 Council Budget Priority Process

Members each gave overviews of any new budget items that they proposed this year. They are as follows:

Councilman Litten described a traffic calming pilot project he is looking to implement on Marlowe Ave. between Franklin and Madison. The project seeks to use speed tables to lower speeding levels on the block and would come at no cost to the city due to the help of NOACA. Several members supported the idea. A concern was raised that it could push traffic onto other streets or could prove difficult to get established on blocks.

Councilman Rader presented a Zero Emissions initiative where he would like to create a comprehensive plan that examines how Lakewood gets to zero emissions as a city. He has spoken with representatives at Kleinfelder, a firm that assisted Somerville, Massachusetts with a climate plan and strategy. Several members expressed support for the initiative and discussed the differences between net neutral plans and zero emissions plans.

Councilman Rader outlined funding a part-time community organizer position with the support of Councilman Litten. There are 50 active block clubs and 50 less active ones, and Council has determined that there's capacity in Lakewood for 50 more. The proposal looks to hire someone with an organizing background to grow the capacity of the citizenry to take up issues of concern. Demand for training among block club captains has been consistent in recent years. It was noted that block club organizing was part of the job description for a part-time communications position that has since gone unfilled. There was discussion amongst the members as to whether a potential hire should have a communications role or organizing role, or whether anyone should be hired at all. There was also discussion centered around moving to a larger geographical area of community organizing compared to just block clubs.

Councilman Bullock proposed investing in streetscape improvements to the intersection of Warren and Madison. He projected that the city would be able to do 5 of these type of projects over 5 years, with a base budget of \$50,000 for each project. There was also discussion around starting a streetscape matching fund that the city could use to incentivize the beautification of proposed developments. The proposed fund could total \$2 million over 5 years.

Councilman Bullock outlined an idea to refurbish City Center Park along the same timeline that One Lakewood Place would be coming about. There was concern about improvements to City Center delaying improvements at other parks, however some members believed fixing pocket and mid-sized parks, such as City Center, would not delay improvements at larger parks, as they require different resources.

Councilman Bullock provided an overview of adding capacity for property inspections, especially for commercial properties. Members expressed general support for the idea, but also expressed a need for a holistic view of staffing in the department and did not necessarily interpret

the proposal as a request to increase staffing levels. Brief discussion regarding third party vendors being able to supplement current inspection efforts also occurred.

Council President O'Leary reviewed a proposal to upgrade the park bathroom locks in the city's parks to incorporate remotely accessible technology. Members discussed the considerable amount of staffing needed to physically unlock all of the bathrooms and the possibility of connecting the locks to the WiFi systems already in place in the parks. Several members also gave real world examples where people have run into difficulty using the facilities at various birthday parties or events in the parks.

Chairman O'Malley presented a proposal to upgrade the Clifton Prado pocket park in his ward and redoing the traffic signals at Detroit and Coutant and Detroit and Cove. Clifton Prado park is in a low income area of Ward 4 and is falling into disrepair. A modest investment in the park should upgrade its condition. All traffic signals on Detroit were redone in recent years with the exception of the two he is asking to be replaced. He anticipates having a full hearing schedule to discuss all items reviewed by each member during this committee session.

2020 Council Office Budget

Clerk Bach and Council President O'Leary reviewed items in the 2020 Council Office Budget. Clerk Bach outlined the budget process required by the Finance Department and provided a spreadsheet that showed the office's expenditures through May 31st of this year. Clerk Bach discussed having an office intern in the fall of next year and some of the logistics that would go into that item. She also reviewed some of the memberships that City Council chose to invest in last year, highlighting the value of the Northeast Ohio Municipal Clerk's Association. She mentioned that Council might consider a membership in the Lakewood Chamber of Commerce for the upcoming year, as the City of Lakewood has a membership as well. She highlighted potential archiving and professional service costs that could arise from the office's need to meet state law for preservation of past records and public documents. Members expressed their appreciation to the office and discussed the merits of continuing membership in the National League of Cities. A couple members expressed a desire to pay an intern at the rate of \$15/hour.

Chairman O'Malley outlined the budget timeline, noting that the plan is to pass a Council resolution incorporating its budget priorities by the 1st regular meeting of Council in October. Director Pae noted that department directors should be invited to each Finance committee relative to their scope of work. Chairman O'Malley moved to adjourn the meeting, which was seconded by Councilman Litten.

The meeting was adjourned at 7:02 p.m.