

**CITY OF UNIVERSITY HEIGHTS  
MINUTES OF FINANCE AND FINANCE LAY FINANCE COMMITTEE  
SEPTEMBER 12, 2022**

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**DRAFT**

Vice Mayor Michele Weis called the meeting to order at 6:00 p.m. Also present were: Councilwomen Barbara Blankfeld and Sheri Sax; Councilman John Rach, and Finance Director Dennis Kennedy.

**Agenda Items**

**1. Review by the Finance Director of Quarterly Statements Actual to Budget**

Finance Director Dennis Kennedy discussed the series of documents he provided. He noted that the information is through the month of August. Some of the items addressed follow.

The Statement of Revenue and Expense - This includes all the City's funds. Mr. Kennedy stated that an opiate revenue fund will have to be added once approved by Council; the Auditor of State requires that this has to be a separate fund, not a line item.

For the General Fund, the unexpended balance is \$6.9 million. There will be a balance of a little over \$5 million by the end of the year once \$1.7 million of expenses are deducted.

The City has received all property tax distributions from the county for the year; that money is amortized over the last four months of the year. The county settles funds twice a year.

Income tax collections total \$8.8 million compared to last August when \$7.1 million was received, a 14.3% increase.

A second payment of \$670,000 was received from the American Rescue Plan Act (ARPA)

The City of South Euclid has been billed for half of the Cedar Road resurfacing project. The project was \$1.1 million.

Property tax collections overall for the city are up around 6% (about \$400,000) over what the estimates were for the year; the delinquency rate has dropped.

Revenue for all funds is \$16.5 million; \$14.4 million has been expended for all funds through August; the unexpended balance is \$12.5 million and there is \$2.7 million encumbered against that. Mr. Kennedy stated that everything is considered to be restricted assets, except the general fund, because they are either in a special revenue fund or a capital fund, and can only be used for specific purposes. About \$4.8 million is restricted. It was noted that Council has set a policy to maintain about 10-15% in reserve funds and currently there is about \$2.5 million. Mrs. Weiss noted that

this is good news, particularly with the facilities planning that is being done.

It was pointed out that \$500,00 had been budgeted for the street program, but the bids came in at over \$200,000 more than the original budget,

Mr. Kennedy noted that the City is in good shape right now in all funds. The second payment from South Euclid for the ARPA money dedicated to the Cedar Road project will be received, and a distribution from the county of \$300,000 will also be coming in for this project.

Regarding expenses, questions arose about the cost for the parade this year, engineering costs contracted services, the *MOSAIC* expenses and civic engagement. Mr. Kennedy will look into the miscellaneous and supplies expenses noted; It was requested that line items be created for specific categories rather than having so many items under "Miscellaneous". Regarding pension contributions, Mr. Kennedy explained that because four new police officers were hired, the city has to contribute to the Ohio Public Employees System until the officers are certified. Mr. Kennedy agreed to have more categories identified, rather than using the miscellaneous description.

## **2. Begin Strategic Planning**

Mrs. Weiss stated that over the last two years, internal controls have been done but not real strategy. She thanked Deb Sheren and Rick Brenner for their help in preparing two documents, one dealing with strategic objectives and one dealing with planning sessions. Mrs. Weiss suggested that a mission statement be created and that the committee meet once a month. It was noted that most strategic planning initiatives take a year.

### Process Overview

The city will develop internal controls established across the entire operation of the city. Mrs. Weiss noted that job descriptions, organizational charts, the development of a handbook have been addressed. Councilman Cooney is working on flowcharts regarding the workings of the Architectural Board of Review (ARB), Planning Commission and the Board of Zoning Appeals (BZA) that will help residents to get the appropriate permits and process for attendance at those meetings. Mr. Kennedy was instrumental in this process. Mr. Kennedy noted that there is a human resources representative assigned to the City through a contract with Columbus Nelson and he is on site every Wednesday working in the Annex. The representative has met with Mr. Kennedy and Mayor Brennan. Matters such as job descriptions and classifications, compensation scales have been tackled. Mrs. Weiss suggested that the recommendations made be submitted to committee for review before submitting to the entire Council.

The committee will review and update the Employee Handbook which will include procedures for annual performance reviews and a grandfather clause of director benefits which will be uniform

going forward.

Mrs. Weiss stated she would like the input of the human resources representative. regarding job descriptions, performance reviews, etc. She requested that the representative be asked about performance outcomes for departments to measure successes and recommend implementation to the Administration; and, inquire about what he has done in the past, and if he has developed standards per department

Mr. Kennedy noted that basic training for sexual harassment and workplace violence is being planned. It was mentioned that the city does not currently have a program that requires non-union personnel to be evaluated on a regular basis.

Someone suggested that an outline or table of contents be provided that describes everything the HR consultant is trying to achieve.; Mr. Kennedy will provide an overview. A suggestion that quarterly presentations to Council by the representative be done. Mr. Kennedy mentioned that the rep didn't start until July and he believes the addition will be good for everyone.

The city is committed to short and long-term capital asset planning.

The Committee will encourage reserves for capital assets. This has already been put in place. Department directors will be asked to establish asset schedules in a streamlined fashion that is in a standardized format. Mr. Kennedy indicated that can be incorporated into the budget development so that there is one master document that is synchronized across department. Mrs. Weiss suggested that at the director's meeting in November, it would be great to have same.

The city will provide facilities that are safe technologically and up-to-date and provide pride in the city.

Mrs. Weiss stated that the committee is in the process of developing facilities plan to be presented to the community. She stated that she hoped to have a site shortly. Tours are finishing up which will help in scaling buildings.

The city will set clear and high expectations to ensure our residents come first. Strategic Objective Process

Collaboration between residents, elected officials and city staff will be encouraged. It was suggested that safety and service need to be incorporated into the mission statement; other suggestions included balance, increase economic development revenue; stability within the housing stock; sustainability; and emphasis on the walkability of the city. It was noted that it is important to build a foundation that is sustainable for those who follow this body to pick up the mantle and be able to move forward in the years to come,

The input of all members of the committee is needed. Mrs. Weiss stated that a separate Strategic Planning Committee will be scheduled so that there can be a working session with the Lay Committee – members who do this for a living - and allow them to be the moderators.

Mrs. Weiss requested that everyone look at the strategic planning, adding that this is a process and after the mission and vision are established, the next step is to think about where the baseline of the city is now. Some of the things that should be considered in this process are: demographics, federal funds, what makes up rental properties, private schools versus public vis-a-vis property tax revenue, the benefit of John Carroll University and Bellefaire, and possibilities of other revenue streams in the city's limited area of 1.8 sq. miles. Mrs. Weiss stressed that all ideas are helpful and can be explored, and she wants to ensure that the committee has working organized meetings with strategic planning going forward.

Steve Lozier, a resident on Ashurst, addressed water pressure. Mrs. Weiss advised Mr. Lozier that since this is the Finance Committee, they could speak after the meeting

There being no further business to consider, the meeting adjourned.

Submitted by,

Jeune Drayton  
Asst. Clerk of Council

Michele Weiss, Chair  
Vice Mayor

