FINANCE COMMITTEE MEETING

March 2, 2026

The Finance Committee of Chardon City Council met on Monday, March 2, 2026, at 6:00 PM in Conference Room A of the Municipal Center.

David Lelko, Chairman of the Finance Committee presiding.

Members of Finance Committee present: Daniel Meleski, David Lelko.

Others present: City Manager Benjamin Young, Clerk of Council Amy Day.

Mr. Lelko called the meeting to order at 6:00 PM.

APPROVAL OF MINUTES

Mr. Meleski moved and Mr. Lelko seconded to accept the minutes of the Finance Committee meeting from February 5, 2025 as presented. Upon voice vote the motion passed unanimously.

OLD BUSINESS – none.

NEW BUSINESS

Regarding the City Manager Goals and Priorities (Goal 5), City Manager Ben Young stated that he has composed action steps to the broad goals he had previously presented to Council. He is requesting that each Council Committee review the goals and action steps that pertain to their respective committees, and make comments, add, remove or amend the strategies or initiatives presented.

Goal 5 Fiscal Health

Mr. Young stated that the strategies for fiscal health include:

- Best practice budgeting
- Ensuring appropriate rates and fees
- Extending the capital improvement plan to 10 years
- Simplifying competitive procurement policies

Mr. Young reviewed **initiatives to improve best practice budgeting including:** consolidating funds and creating clearer fund policies, transitioning to a single, annual budget process, implementing an annual comprehensive financial report, and achieving financial reporting and budgeting awards.

Mr. Young reported that some funds are duplicative or not in use and can be eliminated.

Mr. Lelko stated that all of the funds were created for a reason. He added that he does not have a problem consolidating and/or eliminating some of the funds, but would like Council to be given a list first.

Mr. Meleski asked if the Committee will need to review the list before it goes to all of Council.

Mr. Young stated that the funds cannot be eliminated without Council authorization. He and the Finance Director will prepare a list of funds for Council that they recommend be eliminated, and will bring the list to Council.

Mr. Meleski suggested the list be given to Mr. Lelko first since he has quite a bit of history about the creation of funds that he can offer.

Mr. Lelko concurred.

Mr. Young reviewed his initiative to transition to a single, unified budget process and reviewed an associated timeline.

Mr. Lelko stated that he will not support the change from a temporary budget because he feels Council should have a better handle on the City's financials before the budget for the next year is finalized.

Mr. Meleski stated that he supports the proposed change to the budget process.

Mr. Young stated that Council can always allocate the money if there are funds left over from the prior year.

Mr. Meleski asked if this type of budget practice can be found on the Government Finance Officers Association's website.

Mr. Young stated that the GFOA best practices are available.

Mr. Young reviewed his initiative to implement an Annual Comprehensive Financial Report (ACFR) noting that it will provide a more complete and transparent picture of the City's financial condition; helping residents, Council and staff make better informed decisions.

Mr. Lelko asked if there is a cost to produce an ACFR and questioned if it is worth the financial cost and the time and effort of staff.

Mr. Young stated that he envisioned staff creating the document using a template; however, it will make the City's audit more expensive. He added that an ACFR will be helpful with grant applications.

Mr. Lelko questioned the true value of the awards Mr. Young is proposing to achieve and feels like there are more important things staff could be doing.

Mr. Young stated that the awards will not take much effort on the part of staff.

Mr. Meleski stated that he believes the transparency part is significant.

Mr. Lelko stated that he would like the City to return to holding a pre-budget meeting with Council to discuss what was accomplished during the year, and what each department wants to accomplish in the following year without figures. He would like Council to hear where the City is heading and what is trying to accomplish.

Mr. Young reviewed **initiatives to improve ensuring appropriate rates and fees** including: establishing cost-recovery standards for all fees and rates, simplifying fee structures, and regular studying of utility and non-utility rates.

Mr. Meleski stated that the City needs to be practical about making various programs and permit fees self-funding.

Mr. Young stated that he would like Council's assistance to set a subsidy percentage they are comfortable with and he can annually review and adjust the rates if necessary.

Mr. Meleski stated that Council needs to know where the City's rates are currently, and then compare a handful of rates to peer communities.

Mr. Young continued reviewing the initiatives to ensure appropriate rates and fees and stated that the City's fee structures, particularly for zoning and land development, could be easier to understand and he would like to simplify them.

Mr. Young explained the idea of changing engineering deposits to charging the appropriate fee at the beginning of a project.

Mr. Lelko noted that he does not want to use taxpayers' money to subsidize other residents' projects.

Mr. Young stated that the permit fees do not 100% cover all the zoning costs and so in that way, taxpayers are currently paying to subsidize others' projects.

Mr. Lelko clarified that he does not want to subsidize engineering reviews.

Committee members expressed that they are not up to speed with the current process and stated that they would like to understand the process better.

Mr. Young noted that having an online process is a way to implement an internal control over permit payments.

Mr. Lelko stated that he wants to encourage face-to-face interactions with residents.

Discussion occurred regarding ways to help residents with the permitting process.

Mr. Young continued reviewing the initiative to study utility rates, noting that the City should be reviewing rates on an annual basis. He noted that some staff would like to revisit the water and sewer projects in the capital plan to include other projects, including water line upsizing, that they feel need to be given priority.

Mr. Lelko asked what role Council has in preparing this document.

Mr. Young stated that in his contract, he and Council are supposed to set a written document of items he is going to work on that he will be evaluated on.

Mr. Lelko questioned if Mr. Young wants Council to set the fee review schedule, as he feels this is the City Manager's decision.

Mr. Young stated that he is willing to set the fee review schedule, but is open if Council has a preference.

Mr. Meleski stated that he recommends a flexible 1-3-5 year rate review.

Mr. Young reviewed **initiatives to improve extending the capital improvement plan to 10 years** that include adding an unfunded list and developing vehicle and equipment rotation schedules.

Mr. Lelko stated that he does not want to replace a vehicle just because a schedule has it listed for replacement.

Mr. Young stated that the schedule is merely a guide and is not set in stone, but it can be helpful for planning purposes.

Mr. Young reviewed **initiatives to improve simplifying competitive procurement policies** including: digitizing contract tracking, implementing full use of e-procurement / bidding system and periodic reviewing of service contracts.

Mr. Lelko stated that he is having difficulty understanding Council's role in the document, adding that much of what is being asked should be determined by the City Manager.

Discussion occurred regarding the review of expenditures process.

Mr. Young stated that he is not aware of anything that legally requires the Finance Committee to review expenditures monthly, so the process can be whatever Council wants it to be.

Mr. Meleski stated that he has learned a great deal about City operations by reviewing expenditures, and stated that this can be discussed in more detail at some point.

Regarding changes to Administrative Code Chapter 127, Mr. Young stated that the administrative code exists for staff to understand what their parameters are, and Chapter 127 affects him and he is trying to understand what his job duties are. The purpose of the changes he has proposed are to clarify this section of the administrative code regarding the City's procurement process.

Mr. Young began reviewing his proposed changes to Chapter 127 and stated that state code now has provisions for the major procurement processes, so the City does not need to repeat the process language in its code.

Mr. Lelko noted that the CIP is proposed to be removed from being done in October, and reviewed a history of why the CIP is set in October.

Mr. Young stated that his intent is for the whole budget and CIP to be reviewed by Council in October.

Mr. Lelko stated that he does not think that when the CIP is presented needs to be mandated, adding that he would like to add back the pre-budget meetings.

Mr. Young stated that another major change is clearer exceptions to when the manager can waive quotes or bids.

Mr. Young noted that in addition, the new C.O.§127.04 enumerates reasons to determine lowest and best bids, making the process clearer for him to administer.

Mr. Meleski stated that this is important.

Mr. Meleski asked if the Law Director reviewed the changes.

Mr. Young stated that the Law Director reviewed the changes.

Mr. Young reviewed the changes to the quote threshold from $5 K to $10 K.

Mr. Lelko requested that staff be monitored with regards to vendor selection.

Mr. Meleski moved and Mr. Lelko seconded to present Council with legislation amending Chapter 127 in March. Upon voice vote the motion passed unanimously.

EXECUTIVE SESSION – none.

ANY OTHER BUSINESS

Mr. Iacofano reported that he would like to create a workflow for approving invoices in an effort to become more efficient and less reliant on paper.

Mr. Meleski stated that this will make the process more efficient and takes away the risk that invoices are not approved.

ADJOURN

Mr. Lelko moved and Mr. Meleski seconded to adjourn. Upon voice vote the motion passed unanimously.

The meeting adjourned at 7:43 PM.

Attest:

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AMY DAY
Clerk of Council