

Finance Committee Meeting Minutes
Tuesday, October 5, 2021, 8:00 a.m. Village Hall

Members Present: Chairman Berger, Councilman Carroll, Fiscal Officer Romanowski

Berger called the meeting to order and read the roll.

Berger addressed the Credit Card Policy. The Fiscal Officer reviewed the recommendations of the State Auditor to update the Village's Credit Card Policy to align with the requirements of the Ohio Revised Code (ORC). The users would need to be listed as well as the length of time the cards were allowed to be out of control. Berger asked who the authorized users were, and the Fiscal Officer explained it was the Department Heads. She explained that it was preferable to make purchases using a check and that credit cards were to be used as a last resort. The credit card limit is \$2,000 per card. It was determined that the credit card policy was enacted through motion. Berger clarified that Council would then need to make a motion amending the Credit Card Policy. The revised policy would be presented to Council at the October 11, 2021, Regular Council meeting.

The committee discussed the criteria for the time the card could be held by the user and agreed that it should be flexible. The committee considered making it three days before the need to use it and returning it the next business day upon returning to work. The Fiscal Officer felt what was important was to have it in writing.

The Fiscal Officer advised that the State Auditor requires Council to pass legislation pertaining to the maximum dollar amount for which a blanket purchase order may be written. She obtained examples from surrounding municipalities. Currently, the blanket purchase orders are done for utilities and auto supplies. The Fiscal Officer wanted to get clarification from the auditor.

The committee discussed finance software. The Fiscal Officer advised that the Village currently uses Fund Balance, which is not the one that everyone in the State uses. She was reluctant to change systems because of the arduous process. However, the other system is easier and preferred by the County Auditor. Carroll addressed the benefit of the other system. Berger asked for the cost of the software. The Fiscal Officer did not know but said it is based on the Village's budget. The current system costs \$3,000 per year for support and maintenance. She would find out the details of the other system.

The committee agreed that the blanket purchase order policy could be presented to Council in November.

The Fiscal Officer reminded the committee about the upcoming Zoom meeting with Bond Counsel and the need to be prepared with questions.

A follow-up joint HR/Finance Committee meeting would be scheduled by Councilwoman Nairn regarding the tiered salary system. It will address performance bonuses and service bonuses. Carroll favored the service bonus over the performance bonus because of the issues with evaluations. He did not want to complicate the employee evaluations, which the Village should

do consistently before adding it as a component of a raise. In terms of justification, Berger addressed the problem with providing raises to employees who end up being terminated. Carroll discussed the need to document issues leading to the termination. He cautioned that it was difficult to tie a raise to a measurable in the public sector. The Fiscal Officer advised that evaluations are good in the way of opening a conversation about performance and expectations. She emphasized the need to maintain documentation of problems that exist. Carroll concurred and discussed the use of progressive discipline. Berger suggested criteria to use for the evaluations, and the Fiscal Officer described the evaluation templates provided by Clemens Nelson.

The Fiscal Officer acknowledged both perspectives that in the private sector, raises are based on evaluations and in the public sector, the raises are given across the board. She viewed the evaluations as an opportunity to open a conversation, and if there were a problem, perhaps the raise would be held in abeyance of a subsequent evaluation to correct the issue. Carroll's concern was proper application of a policy across the Village. Berger stated this was not a policy problem but a management problem. Carroll explained that to avoid the arbitrary nature of how raises have been given in the Village, he would like to see more of a tiered and definitively structured system to get away from the shot in the dark raises.

The Fiscal Officer described the tiers used in the Police Department. She was envisioning a structure that specified how an employee would obtain raises, like obtaining a certain certification, for example. She felt the current proposed system had become much bigger than perhaps what was needed. The Fiscal Officer asked if the Village policy could just utilize the system used by the Police Department. Berger said there were not enough job descriptions to do this. It would be necessary to consider all the classifications and certifications. The Fiscal Officer advised that in the Service Department, there are laborers. If there were laborers and one mechanic, there would only be one job description based on the number of years. Once they hit so many years, all the employees would know all parts of the jobs and would be at their max and on the same page. Carroll added that when they reached this point, this would be where the service bonus could start. Berger indicated that there would not be a point where there were no further raises because employees would continue to get a cost-of-living adjustment (COLA). The Fiscal Officer asked Berger if he thought COLA increases should stop at some point for employees, and Berger said there were none in the private sector but there were inflationary bumps. Berger stated that in the private sector an employee must obtain more skills to be of value to the employer. It is all about pay for performance. Carroll acknowledged that there are certain situations in the public sector where someone can be paid more for obtaining certifications, but it is easier in some departments rather than others.

Berger addressed the scenario of the employee who performs the same work for 10 years and questioned whether that employee should be making 3% more each year for 10 years compounded. Had this person provided greater value to the Village? The Fiscal Officer indicated that in some of the Village departments, professional development is mandatory regardless of raises. Other jobs may not have required development/training, but they have value. Berger said that these individuals need to find more skills to make them valuable or find

another employer that will pay them more for the same job. If a person who cuts grass gets a 3% yearly raise, over time that person will be making \$70,000 to cut grass. The Fiscal Officer explained that in the past, Council believed the Service Department staff had skills that should address other issues and so the Village outsourced the grass cutting to save money.

Carroll suggested using pay bands for the Service Department, similar to the Police Department's system. He asked the Fiscal Officer to consider this for her department. Carroll indicated that he has used evaluations that include discussion of goals and an employee professional development plan and policy related to promotion. From a professional development standpoint, the pay becomes increased when the employee is promoted. Berger stated that the evaluation is a professional development tool but in a reactive manner.

The Fiscal Officer discussed training in terms of a succession plan, and Berger added that an employee can also obtain the training and go somewhere else to get paid more. The discussion continued about multiple employees obtaining certifications that pertain to a single Village job and compensation for the certifications. Berger indicated that it is the job of the Department Heads to determine the pertinent certifications to qualify an individual for additional pay and Council will figure out how to reward them. Carroll suggested contacting the Police Chief and Street Commissioner to identify applicable training and certifications.

Berger questioned whether the committee should pull back from the system that had been discussed. Carroll indicated that the spreadsheet is an option, and the different components can be used in a variety of combinations. The other option would be to use pay bands like the Police Department. Another would be to base raises on certifications. Berger asked the committee to consider what would happen if the Village were not financially sound. What would happen with the system. Council would need to have the ability to deny the raises despite the policy. Carroll indicated that Council has always had this ability.

Carroll took exception with Council receiving a 3.5% raise yearly when the employees have received less. Berger felt that the compensation Council receives is nominal.

Berger addressed the Solicitor's contract and indicated that she conducts business for the Village for approximately 10 to 12 hours per week. If this is normal, he questioned if the Village could get 40 hours a week for a full-time person for the same amount of money. Carroll asked how much was spent on the Solicitor under Mayor Brett, and the Fiscal Officer stated \$35,000 to \$45,000. Carroll said with a change in administration, there was an increase, which is the bottom line. He asked the committee to consider what would happen then if the Village were to contract with an attorney for \$100,000 per year and then get a Mayor who never, or more appropriately, used the Solicitor. He stated that there were two investigations that cost the Village a lot of money because of the Mayor. Berger agreed. Carroll continued that the Mayor had the Solicitor write up a proclamation for a reporter, which the Fiscal Officer should have done. He argued that the expense is much more tied to the administration and cause and effect of the administration that has caused the cost to go up. That being said, he thought costs could be curtailed with having the Fiscal Officer being consulted before calling the Solicitor. The Mayor needed to hear this loud and clear. The Solicitor attends meetings she does not need to attend.

The Mayor's approach to the use of legal services surpasses anyone on Council. The Fiscal Officer added that the Solicitor is being used more as an administrator. Under the former administration, questions were to be held until the Council meeting and all other research options should be exhausted before going to the Solicitor. The former Mayor would call the Fiscal Officer to ask his questions before contacting the Solicitor. Berger clarified that what was being said was that the Solicitor was not being used appropriately and as a result more money was being spent. The Solicitor provided several options to include a \$10,000 monthly retainer. However, Council first needed to agree that the current usage is not a normal course of business. The Fiscal Officer indicated that the committees needed to be willing to do the footwork and use the Solicitor for review of the final product.

The Committee discussed the cyclical problem with policy being written and rewritten and then put off and not addressed. The Solicitor is being involved in these matters, so money was spent on something that would never happen. Carroll agreed and reiterated that committees should do the work and reach out the Fiscal Officer for guidance first.

Berger stated that at the October 11, 2021, Council meeting, the committee would state that it had a discussion with the Solicitor who provided the Village with some options. The committee does not like the options because they assume that the Village will continue to operate the way it has been operating, which does not make sense to the committee. The Village needs to change the way the Solicitor is used to reduce the fees. Realistically, the committee believes the Village could cut the fees in half, which would be \$60,000 to \$70,000 per year. Carroll thought this would be a good goal. Berger indicated that Council must buy into this, and Carroll added that this included the Mayor, and Berger agreed. There must be fiscal restraint and it starts with the Mayor. The Fiscal Officer added that the Solicitor is willing to teach her how to look up topics in the ORC to help with guidance and research.

Berger addressed the workload of the Fiscal Officer in relation to becoming the gatekeeper to the Solicitor. The Fiscal Officer advised that she used to be that person, although her responsibilities have expanded within her department. She felt that more hours might be needed. He questioned whether more hours were needed or more people at lower rates were needed to ultimately reduce the overall cost of the Solicitor by having the Fiscal Officer serve as gatekeeper. Carroll indicated that there was push-back by one member of Council about making the Administrative Assistant full-time but thought Council should consider this. Additionally, she could help the Building Department Administrative Assistant/Board Clerk/Assistant Zoning Inspector. As long as the work is there to justify it, the position would provide flexibility. Berger stated that instead of elevating a part-time position to a full-time position, maybe it would be better to hire another part-time position to work in both departments. Berger stated that this was where management comes in and asked how much can get done at lower costs? The Fiscal Officer agreed and said that she is struggling to get by and is doing things on a high level just to get them done and meet deadlines. She is unable to be proactive in her approach.

Berger said the money to hire another part-time person would come from the Solicitor's budget to add another person or more hours. Berger reiterated that to do this means more pressure on the Fiscal Officer, which means more support must be added from below. The Fiscal Officer

needs to understand she must be able to off-load more work. The Fiscal Officer agreed. Berger stated this is what needs to be presented to Council.

The committee discussed the three contract options presented by the Solicitor.

The meeting was adjourned at 9:29 a.m.

Christopher Berger, Chairman

Prepared by Leslie Galicki