

Finance Committee Meeting Minutes
Wednesday, March 16, 2022, 9:00 a.m. Village Hall

Members Present: Chairman Galicki, Councilman Berger (Google Meet), Fiscal Officer Romanowski

Visitor: Patrick Holtz, Garden Park Dr.

Galicki called the meeting to order, and the Fiscal Officer read the roll.

The Fiscal Officer reported she was still waiting for the revised petition for the Parkland Dam project residents. She would reach out to bond counsel again today.

The Fiscal Officer reminded the committee that the Special Improvement District (SID) webinar by the County Auditor would take place at 1:00 p.m. on March 16th. She would be attending and provided Council members with a link.

The Fiscal Officer did not have revised numbers from the Engineer for the Whitetail project after its change from the Manor Brook project. The budget must be amended for the revisions. She referred to agenda items the Mayor asked the committee to discuss, and explained that she had pages of items to review for required amendments due to additions and changes for this year's budget. She hoped to have this by the next Council meeting. Relating to this topic, she asked the status of the Sugar Bush project. In 2020, the Village committed to giving Sugar Bush funds to help dredge their silt pond since it was felt that the Bell Road project may have contributed to silt accumulation. However, the dredging did not take place. The budget was amended in 2021, and Sugar Bush went from asking for \$7,000 to \$10,500 because costs rose, and Council approved the request. In the November 8, 2021 Council meeting minutes, it was reported that dredging was being done that week, but the dredging still has not been done. It was not budgeted for this year and would require an amendment if it were to occur. Berger said Sugar Bush was responsible for the delay since they were in control of getting the contractor. Galicki asked if anyone from the Village was coordinating with Sugar Bush, and Berger suggested referring it to Public Utilities Committee. He would contact Sugar Bush to determine the status.

The Fiscal Officer said she would be refunding the donation to Cindy Nairn as Council approved at the Council meeting. She did not think the Village had the plaque for Mrs. Harvey, and it would be necessary to get money for this from her. Galicki noted that Mrs. Harvey donated the butterfly garden, and asked whether the Village should provide the plaque, or charge her in fairness to other donors. Berger would consider waiving the charge for the plaque. Galicki thought it was petty to ask for this payment since she generously donated the garden. Galicki would make the recommendation to waive the cost of the plaque for Mrs. Harvey at the March 28, 2022 Council meeting.

The Fiscal Officer addressed the policies for Village Hall use, donations, and bench donations. She added that perhaps the HR Committee could develop a policy for appreciation gifts for elected officials, etc., so that there would be parameters and dollar amounts. Berger said to add this to the HR meeting agenda for the next meeting.

The Fiscal Officer received the income tax disbursement on March 16th. For the year, the Village is up \$100,000, which is the highest year ever. As of March, the Village had received \$499,000. It would be

necessary to amend the Certificate of Estimated Resources with the county. Galicki verified this was the result of people working from home, and the Fiscal Officer concurred. Berger asked if there were a threshold at which the certificate must be amended, and the Fiscal Officer explained that when a municipality knows revenues will be significantly higher, it is required to let the County know. The Village would want to get the Certificate of Estimated Resources up so the Village could increase its appropriations. She explained that when the Village appears before the Budget Commission, this is just for tax levies, not for income tax or grants. These must be reported, but the County does not have control over them.

Regarding the full budget schedule, last year, the long-range planning was done on September 8th, and the Budget Work Session was October 4th. The budget was not adopted until December 13th, which was the last meeting of the year. The goal is usually to adopt the appropriations the first meeting in November. The earliest she would recommend the Budget Work Session would be the end of September. She encouraged developing a timetable for large projects like Bell Road East, in order to have an effective budget. She asked if the committee would want such a planning meeting before the Budget Work Session. Berger recommended putting the Budget Work Session on the calendar, with approval scheduled for the first Council meeting in November. If Council wished to have a long-range planning session, it was up to Council to arrange it.

The Fiscal Officer explained that she would be providing the tax budget worksheets for the Department Heads along with their five-year schedules to look at with their committees to determine any large expected expenditures for 2022. She explained that at Tax Budget time she must figure out her transfers for next year to ensure the money is in the funds to do the projects. The Tax Budget in July somewhat limits the budget at the end of the year. It would be helpful for the Department Heads to clearly communicate their plans to the committees. It would be ideal to eventually develop a five-year budget.

Galicki addressed the Mayor's statement that number of questions Council has in the year after the budget is passed is embarrassing, and that Council does not know what they pass on the budget. Galicki thought Council knew what was passed on the budget since it was reviewed before passing it. Most of the questions come from people who want things that they did not have the foresight to include in the budget. Department heads need to be more engaged in identifying in the long term what they want.

The Fiscal Officer verified Galicki would determine the date of the Budget Work Session at the next Council meeting.

The committee discussed the need for policies, and the Fiscal Officer offered to reach out to her Clerks' and Ohio Municipal League to see if she can obtain samples.

The Mayor also indicated that he wanted to be educated on reserve funds. The Fiscal Officer said this training would be provided by the County Auditor possibly in April.

Another item on the Mayor's list was the Fire Department donation, which was not in the budget. Last year Council passed a resolution in support of this, but it was not in the budget. It was never fully decided if the Village would donate the money or what the dollar amount would be. Berger advised that it was a nonbinding resolution and did not think it appropriate to budget for this. He thought it was nebulous as to whether Council would support it. The Fiscal Officer agreed and said the Mayor asked if

the Village was in or out. Berger said this was not a decision for the Finance Committee but rather Council and should be raised there. Galicki concurred. Berger suggested Galicki ask the Mayor where the Fire Department was on its fund raising process. There was discussion of the funds being entirely raised and thus no need for the Village to contribute. Berger noted that the Village did not commit itself to spending any money through the resolution. Galicki added that he struggled with using Village funds to repair a building in an adjacent community for use by a private organization. He considered that the Village Police Department operates in a converted ranch house and questioned the logic in giving away funds to another community to improve their facilities. He understood the relationship but added that it is a private contracted organization. Berger said in previous Finance Committee meetings, this was discussed, and his perspective was that if Chagrin Valley Fire Department wanted an extra \$60,000 then they should come to the Village with a contract that puts that \$60,000 in the contract over six years, for example. He viewed this from a governmental responsibility standpoint. Galicki added that conversely, the Village could give the funds but then ask for a guarantee that contract pricing would not be increased over a certain amount of time. Berger also suggested the potential for including a claw back clause in the event the Village were to seek services elsewhere.

The Fiscal Officer offered that the Fire Department's contract expires at the end of this year, and they should be approaching the Village with the new contract. Historically, this was done in November, which gave Council no choice because of timing. There was a question of who should be contacting the Fire Department about the contract, and Galicki explained that in the past, it was former Councilman Carroll. He thought the Finance and Safety Committees could consider it and added that perhaps Carroll would assist in reviewing the contract. Berger recommended Safety Committee reach out to the Chagrin Fire Department regarding the status of the new contract.

The Fiscal Officer continued to review the Mayor's list of agenda items. One pertained to the year-end balance and she explained she would not have an answer about projections until she could make the amendments. Berger said that during his time on Council, deficits have been projected, but had not occurred. The Fiscal Officer explained that this was because the Village was not completing its projects. Projects had been delayed, and some may be finished this year. Once she had the amendments in, she would have a better idea of where the Village would end the year. Berger referenced a statement by the Mayor that residents had picked up on the fact that the Village had a surplus of \$4 million. Berger suggested finding a way to explain the dynamic of the Village's finances and that it did not have a \$4 million surplus because funds had been allocated for projects. He suggested including this in the newsletter. The Fiscal Officer concurred and offered it could be in the summer newsletter.

The Fiscal Officer addressed the Mayor's proposal to add Maple Springs and Woodside to the Road Program. It had not been budgeted and Council approved going out to bid for the roads identified for the 2022 Road Program. Adding these streets could delay going out to bid or possibly require going out to bid for another road program since it would be another \$335,000. Galicki addressed the uncertainty and potential impact of oil prices. He questioned whether the Village really wanted to take this on and added that it would require a budget amendment. Berger advised that the Road Program was presented by the Streets Committee and concluded it was their place to consider this suggestion.

The Fiscal Officer advised that the Central Retention Basin project was supposed to go out to bid in December but had not to date. She reviewed the requirements of the Ohio Revised Code and stressed

that the Village could not keep delaying projects. Galicki recommended directing a question to Public Utilities about when the bid process would occur. Berger said that the delay was due to reconfiguring the project but agreed that Public Utilities would discuss it.

Berger verified that the part-time Administrative Assistant had accepted the full-time position, and the Fiscal Officer said yes, but it would be necessary to amend the budget.

Berger asked if this could be included in the Fiscal Officer's amended budget, and she said yes.

Berger then addressed the three positions Council asked to advertise. The Fiscal Officer said this would be in the paper the following week. Berger asked if the budget should be amended now, and the Fiscal Officer thought there was already \$7,000 budgeted for the part-time Zoning Inspector. The committee discussed the budgeting processes with new positions and corresponding payroll. Galicki suggested that in anticipation of new hirings, departments should include this information with their budget proposals for the coming year.

Galicki invited Patrick Holtz, Garden Park Dr., to speak. In preparation for the Budget, Holtz wanted to offer his thoughts on the importance of vision and strategy in the development of the budget and long-range planning. Holtz had worked in transportation and infrastructure, in government, and as a lobbyist. He also worked as a planner with Northeast Ohio Area Coordinating Agency (NOACA). In 2013, NOACA put together a document called Vibrant NEO 2040, a land use study, which he felt the Village should utilize. He addressed the question of whether South Russell was a village or an intersection in terms of strategic planning. Holtz suggested engaging the public more in projects and thought that by incorporating their ideas, the Village would have more integrated projects.

Holtz concluded by sharing recently, Congress approved the funding for the largest infrastructure bill since the Defensive Highways Act of 1946, which was a 30% increase in infrastructure funding. Most of the funding was through discretionary grants, which targeted elements in the Vibrant NEO 2040 study like sustainability, livability, etc. He encouraged the committee to review it.

Galicki acknowledged that Holtz had some good points and agreed that strategic planning is an Achilles' heel to a lot of communities. There might be merit in Holtz addressing the Planning Commission.

Berger made a motion to adjourn, seconded by Galicki. Ayes, all. Motion carried. The meeting was adjourned at 10:07 a.m.

Dennis M. Galicki, Chairman

Prepared by Leslie Galicki