

Finance Committee
September 1, 2020 – 8:00 a.m. at Village Hall

Present: Chairman Carroll, Councilman Berger, Fiscal Officer Romanowski

Carroll called the meeting to order. The Fiscal Officer addressed the \$50,000 in COVID-19 funding received by the Village. Thus far, approximately \$7,000 to \$8,000 had been spent. The Fiscal Officer distributed a list provided by the State containing ideas of what could be purchased with the money. Among the ideas were purchases to enable employees to work from home. She wanted to purchase a laptop for her Administrative Assistant with software. She added that this would also benefit the Village because the current computer used by the Administrative Assistant needed to be replaced. The Fiscal Officer also planned to encumber money for payroll in the event employees were to get sick or be required to quarantine. She asked the committee to review the list since she must encumber (or write a purchase order) by October 15th.

Carroll inquired with Chagrin Falls Fire Department about a fit tester. The fit tester is used for SCVA masks, Air Purifying Respirators (APR's), and N95 masks. It would be a qualified purchase, and the Police could then be fit tested for APR's and all employees with N95 masks. The Village would provide the Fire Department with the equipment to do testing for the Village. It would cost between \$13,500 and \$15,000. It could be done annually for the Village by Chagrin Falls Fire Department. He further explained that because Chagrin Falls Fire Department is set up as a nonprofit, it does not receive COVID-19 funds.

Another idea would be to purchase cardiac monitors, Lifepatch 15, which cost \$36,000. The newer generations have a temperature probe, which is a requirement for COVID-19. They last seven to eight years.

Carroll also suggested that the Village could consider adding teleconferencing equipment to Council chambers in Village Hall. Carroll received a quote for his department in Lyndhurst, which would be approximately \$9,000. This would include cameras and audio equipment. It would provide the ability to do teleconferencing and training. Additionally, the Council meetings could be better hosted than through Zoom. Carroll said that he understood there would be a second round of the funding whereby 50% of the amount would be offered again. This might mean an additional \$25,000 for the Village. He recommended having John Miller Sound Com come out for an estimate and offered to be present when they came. The Fiscal Officer concurred that this would be helpful to the Village especially since it is not known how long virtual meetings will be necessary. Carroll added that eventually, live meetings could be streamed.

Carroll recommended that the Properties Committees also be involved. He suggested that Council could prioritize the potential purchases for encumbering the \$50,000 and wait to see if a second round of funding occurs. He added that the Village could also consider contributing to one or more of the items if the Village exceeded the \$50,000.

The Fiscal Officer stated she would provide the State suggestion list to Council, and the committee could present its ideas to Council. By the second meeting in September, decisions should be made so that she may encumber the funds. The Fiscal Officer would contact the Fiscal Auditor to inquire about the additional funds. Carroll stated he would obtain quotes for the fit tester. Carroll would also email Miller about a quote for the video conferencing.

Berger asked about how work would be conducted remotely if the Village were to shut down due to COVID. The Fiscal Officer stated she has a laptop that she uses for work. Berger asked how the Mayor would operate, and the Fiscal Officer stated he has a personal laptop. Berger questioned what the Street Department had and added that the Building Department had a computer. The Fiscal Officer added that there was also a laptop in the department. Carroll advised that essential services do not work remotely like Police, Fire, and Service Departments. He stated that with COVID, other communities rotated employees from home to reduce the footprint of the staff in the building. Berger asked if it would make sense to purchase two laptops instead of one to have them as an option for other people who might need to work from home. Carroll thought this was a good idea. Berger suggested speaking to the Chief to see if there would be a need for a remote option for his department. Carroll addressed the need to have a VPN set up to work remotely and asked what this would take. Berger explained that a VPN would be set up for the Village with employees having the ability to log onto it remotely. A slave computer would serve as the server. The Fiscal Officer stated that the Village did not have a server and that everything was independent. Carroll suggested getting an estimate of setting up a VPN. The Fiscal Officer stated it should be to set up a server. Berger asked who the Village used for IT, and the Fiscal Officer stated Personal System Plus. Carroll suggested getting a couple of quotes and suggested contacting Data Serve in Lyndhurst as well. Berger suggested hiring a cloud server, which would entail paying a monthly fee. Berger stated the benefit would be access and not having to deal with a server going down or having to maintain it.

The Fiscal Officer reported attending the Tax Budget Hearing on August 17 and said it went well. She provided what was approved to the committee and stated there was legislation that would need to be passed on September 14th stating that the Village accepted the numbers the County Budget Commission provided. This would then be filed with them.

The Fiscal Officer advised that the committee needed to determine dates for the 2021 Budget Work Session. The committee recommended September 30th at 5:30 with backup dates of September 29th and October 1st. The Fiscal Officer said she would send these dates to Council.

The Fiscal Officer said she was going to include updating of the Village Website in her budget. She contacted the company that originally designed the site and received an estimate of \$8,100 to redo the website. She also reached out to Company 119 in Chardon. This company will be redoing the Geauga County website, and the county has extended the offer to the Townships to pay to redo their websites. The Village would have access to update its own information, but it would be a fraction of the cost. The Fiscal Officer spoke to the County Auditor and found that Villages can also take part. She explained that with the arrangement, features designed for individual municipalities can then be used for other municipalities. It would be a fraction of the cost for the Village. The Committee agreed that \$8,100 was high and liked the idea of sharing

with the county. The Fiscal Officer stated that they also back up everything else which would be helpful in accessing emails for public records requests.

The Fiscal Officer reported that she spoke to the State and found that the former rental house property had been approved tax free status for the property. She is waiting for the official letter.

Regarding the copy machine, the Fiscal Officer stated that the companies had been providing copiers for the Village to try. She hoped to choose by the end of the week.

Sales of Cemetery lots had increased recently. One of the burials was problematic because of weather. Carroll asked if there were more cremations than full burials. The Fiscal Officer stated that there were four or five full burials. She added that cremations were easier to plan.

Berger asked about the Capital Improvement Schedule. The Fiscal Officer advised that she asked each Department Head to update it. Berger stated that this was on the agenda for the Building Committee meeting on Thursday. Berger asked about updating it, and the Fiscal Officer said they could be updated. She explained that replacements are planned, but if the department finds the replacement is not necessary, it is pushed back. Carroll stated that for the replacement of larger items like the Service Department trucks, he favored replacing them as planned. He felt this was important for planning purposes, and it helped with the county. This allowed for the Village to put money aside for the required expenditures. Berger advised that one of the snowplow trucks was projected to have a 20-year useful life and was purchased in 1998. It was now 22-year-old and it would cost \$160,000 to replace. He asked if it was in the budget to replace it, or would the Village be pushing it. The Fiscal Officer said the Village would push it. She explained that in the Budget Work Sessions, Council decides. The Village just replaced a 1992 truck last year. Carroll advised that purchases like the trucks should be spaced out, like every four years, regardless of the condition. Carroll and the Fiscal Officer agreed that the largest capital expenditures come from the Service Department with the trucks. Carroll added that the Village did not have a good strategic plan for the Village infrastructure. Council should be looking at a master plan and a budget, but the Village did not have a master plan.

Carroll acknowledged there had been discussion about a strategic plan and emphasized that from a budgetary standpoint it was necessary. He addressed Village infrastructure, plans for Village property, and the potential for updating zoning. Carroll said it should be done in such a way that there is community input. He also addressed a plan for the Park. Berger stated he did not understand how the Village now had the Tea House. He considered it to be one more thing the Village had to take care of every year. Carroll agreed and said it did not fit into the plan. He did not want to shoehorn things into the park. Carroll emphasized the need for a plan. The Fiscal Officer thought the tea house still required approval by Council but advised that Village manpower was used to transport it to the Village and now it was unclear where it would go.

The Fiscal Officer advised that the HR Committee met on Friday with the Mayor. He was worried about employee burnout. He asked if the Fiscal Officer's Administrative Assistant needed more hours. Her response was that she would like to manage the hours. In the past, the hourly rate was multiplied by the estimated hours and that would be the annual budget line item.

She would then manage hours per week. In the last two years, there had been a focus on identifying specific hours. As a result, when there was a heavier workload, she could not have her assistant stay and she had to work extra to get the job done. The Fiscal Officer wanted to return to being allowed to be the Department Head and manage the hours. In the HR Committee meeting on August 28th, Porter said he would talk to Berger. Berger stated this was the first he had heard of this. Berger advised that Carroll previously told him that it was managed by setting the budget, setting the line item, and letting the Department Heads run to the budget. If there was a problem it was on the Department Head to come back to say they could not meet the budget. Berger said what the Fiscal Officer was asking would be how he wanted it run. However, he said that if this was how it was to be done, it should be the same in all departments. The Fiscal Officer agreed. Berger said this had not been done, and the departments had been micromanaged. If everyone could agree to run to a financial budget and depend on the Department Heads to tell Council that they were meeting the budget or not, then what happened internally was the discretion of the Department Head. Carroll agreed, but said that historically what happened was that the hours kept going up in the Building Department and it was never presented as being over the budget. Berger said from a Building Committee perspective, he was willing to say the department would operate inside the budget. Carroll said he would like to know ahead of time that the Department Head had reached the budget. Berger stated on March 31, there was discussion about how much money was being spent on the Solicitor and that the Village would be running over the budget number for the year. The Fiscal Officer stated that she now provides Council with a spreadsheet, and added that for the employees, she provides the Part-time Overtime Report monthly. She offered to add the budget percentage to this report. The Fiscal Officer stated a motion would be required because the hours of the Administrative Assistant would have to be amended.

The Fiscal Officer addressed the topic of petty cash and said the discussion was muddled by bringing up making change. Carroll advised it was not for making change, and the Fiscal Officer stated it was for the purpose of getting postage. Change was not being made now. Berger stated that there is the situation of contractors coming in and only having big bills in their pocket. Berger advised it would be discussed at the Building Committee meeting. He would try to get rid of the concept of making change and say it should either be a check or exact change. The Committee discussed the concept of accepting credit cards and the rules surrounding it. There was also discussion of completing some of the registration and permit applications online which would include payment. Carroll asked the Fiscal Officer to explore electronic/credit card methods of payments. Berger thought that the Fiscal Officer should investigate Paypal, and suggested that she would manage it. Berger also addressed the practice of taking a deposit for a resident who must appear before one of the Boards, and then return the deposit. He said this was a meaningless process. The Fiscal Officer explained that the Village is permitted to take costs out of it, but in the past, it was not done. Berger stated the Building Committee is looking for ways to change this so that this process will not happen, which may mean changing from a deposit to a flat fee that the Village would keep.

The Fiscal Officer addressed the timeliness of checks, and explained that on August 26th, she received a check in the deposit dated June 1. She asked if there were still checks sitting in the Building Department Office. Berger heard of a situation where the Building Department Administrative Assistant/Board Clerk gave a check back to an individual who had incomplete

paperwork. Berger surmised that the contractor held the check until he had all the paperwork and then resubmitted it. Berger said he would investigate the matter.

Carroll addressed Dave Hocevar's contract. He reviewed the information from other communities for Hocevar's services and noted that some had retainers and others did not. Looking at what the communities were paying Hocevar, Carroll wondered whether collectively these communities could hire a full time Building Inspector for less cost. This concept was considered previously by the Village. He saw this as a good regional collaborative effort to take the lead on this. Carroll explained that the Village would hire a full-time Building Inspector and under contract the Village would provide the service to the other communities at a fair share cost so that everyone was paying the same, much like Chagrin Falls Fire Department. Carroll thought that this would be an opportunity to have the same level of service with a possible cost savings to all the participants in the group. Carroll thought it was important to look at a succession plan for Hocevar. The workload would be appropriate, based on Hocevar's activities, and the individual could work out of the Village Building Department while providing services to the contracting municipalities. Carroll wondered if this were a workable model on which the Village could take the lead. He added that a three-year contract should be required with the communities. Carroll also questioned the value the Village received from the retainer when some of the other communities serviced by Hocevar did not pay the retainer. Berger stated that in several of the cases, Hocevar is not the primary inspector.

Berger asked what would happen if the Building Inspector were to be hit by a bus. Would the Village be responsible in finding another for all the communities involved? Berger preferred the contract basis and said there is risk. He added that the Village has enough problem managing itself much less managing it for other communities. Carroll stated the Village has a fall back in that it has the County. The other communities, however, do not.

The Fiscal Officer asked the committee if Porter had spoken to them of his idea to hire a part-time Building Inspector to learn from Hocevar so that there was a succession plan. Carroll stated they discussed this last year, and Carroll stated his issue was that it would be like having the Solicitor or Engineer go through all the resumes to identify their replacement. This was problematic. He is a subject matter expert, but so is the Solicitor and the Engineer. However, he has something to lose if someone is hired. Berger stated if Hocevar is looking for an exit strategy, he has nothing to lose. Carroll advised this could be three years down the road or tomorrow. Berger advised that if Hocevar were to declare himself as being on a two-year exit strategy, he might be the right person to help the Village. Carroll said he could support this. He thought hiring a part-time Inspector had been considered in the past and should be kept on the table.

Berger stated Hocevar is cost effective compared to having a full-time Building Inspector. Carroll said he did not disagree. It was a smart consideration to look for a part-time Building Inspector, and perhaps the Village should have the exit strategy. He added that the contractor should not drive the bus, and Berger agreed that the Village should drive the bus. Carroll added that for value added as a service to the community, it would be beneficial to the Village to have a part-time Building Inspector with a set schedule. Berger said if such a person was available, the Village needed to consider it.

Carroll addressed a meeting that occurred concerning Chagrin Lakes that Berger attended as Finance Committee Chairman. Berger stated he was called the Finance Committee Chairman, but he did not know why. He sent an email to correct this. Berger stated the meeting was about a pond issue. Carroll asked if the Mayor wanted someone from Finance involved. Berger said there were 11 homeowners involved in the pond issue. The residents need to do a major rebuild of the dam. They were asking the Village to finance the project and then to assess the 11 homeowners on a 20-year tax basis. There had been a couple of meetings with the Mayor and the residents. There will be a Zoom meeting to determine their level of interest as they do not have all 11 signed off on the process and they do not know the expense. Carroll asked that if this were a Finance issue, at the very least Berger could have had a conversation with him as the Finance Committee Chair that he was discussing financial issues. Berger stated it was very preliminary. Carroll stated that it would be like him being on a committee and working outside of it at a completely different angle. He reminded Berger of his comment about letting the committees do the work. Carroll asked Berger if he did not think it would have been appropriate if the Mayor was bringing in a Finance Committee representative. Berger stated a friend of his was leading the charge for the pond issue. The friend called him and asked if there was something the Village could do to help them. Berger suggested getting together with the Mayor to discuss it. They had two meetings. It did not come from him as Finance. Carroll said he understood this, and it was a friend of his from this neighborhood who brought it to his attention.

Carroll asked how this matter was different than what Paw Paw Lake wanted. Berger explained that under Ohio Revised Code, there is a section that pertains to ponds, dams, and financing as opposed to a private road. Carroll cautioned that there are other communities like Lake Louise and Bellwood and if the Village does it for one, it must do it for all. Berger stated that the section to which he referred in the ORC was 715.47, which allows the Village the ability by resolution to direct the owners of Royal Oak Parkman Drive to repair a potential nuisance and remove obstruction silt and substances as necessary as to avoid the nuisance and to then assess those owners as part of their tax bills over a 20-year period. The Fiscal Officer clarified that the Village would pay it, and Berger stated the Village would pay it up front and then assess those owners. To clarify, Carroll said how this would apply to Bellwood if it wanted to repair its dam, and the neighborhood is a club not a HOA. Berger asked who owned the dam. Carroll explained that it was one person, but the whole neighborhood uses the lake. If the neighborhood wanted to have the lake dredged and the dam repaired, the resident could ask for the cost of this to be put on the tax bill for 20 years. Berger stated this was correct. The ORC section information was provided to Berger by a resident of Chagrin Lakes who is an attorney who works with communities. Berger added that there were also Special Investment Districts (SID), which would be a possibility for Paw Paw Lake. Carroll concurred and advised he had suggested this as a possibility for Paw Paw Lake. Berger added there were other ways to address the issue as well. He had several meetings where different solutions were discussed and who would be involved since it would not just be the residents surrounding the lake, but residents downstream who were also affected. Carroll asked if it was a possibility that some of the residents involved may not want the repair and ask, instead, that the lake be drained and eliminated.

Berger stated that the strategic plan starts at Bull Frog Pond in Kensington Green which sends water to Village Hall and across Chillicothe Rd. then down to Chagrin Lakes. It then flows down to Sugar Bush. If the work were done at Kensington Green, this would alleviate some of

the issues. The work that needs to be done in Chagrin Lakes could alleviate issues down the road. Berger stated there needed to be an entire process plan. Carroll agreed. Berger stated that Kensington Green was the hardest because they did not want to deal with it, but this was the Mayor's issue to deal with his people.

Regarding the expense, the Chagrin Lakes project could be between \$200,000 and \$350,000. An engineer is involved, and preliminary studies have been conducted. Berger saw this as being different than Paw Paw Lake, which was one million to two and growing, and there was a question of what they would do with their bridge.

Carroll said this issue was intriguing to him because of Bellwood and Lake Louise. Berger stated these were the right projects for the Village to do. Carroll stated when the Village passed the Road Levy it was for the narrow purpose of putting money into stormwater mitigation issues. This project would fit the funding. Carroll and Berger discussed various neighborhoods in the Village with ponds and lakes that impacted each other.

From a finance perspective, Berger stated that although there was a bushel of money, he would not want to go out and do five projects around the Village that encumbered all the money. At what point was a bond issue discussed or a financing issue through the State? Berger thought the Village could handle a \$200,000 to \$300,000 project without any problem. Carroll stated this would be the first one, but what about the second or third? Berger stated the Village had no experience in getting financing. Carroll advised there was grant funding available for infrastructure, although he was unsure this would fall into it. He said there might be avenues where the Village could borrow money at a low interest rate to fund the four projects at the same time because the Village would be getting the money back over time. Berger stated that the Village would just be financing the projects but would not oversee them or dictate how the project works. Carroll asked if other communities had done this, with a pond and dam and Berger said he was not aware of any. However, the attorney, Mark Bloch, said that several had been done in Medina. Carroll thought Bloch could be helpful to Paw Paw Lake.

Berger stated that the other issue was grant money and not knowing what was available from the State. This was another avenue that was being explored as something that could reduce the cost of the project for Chagrin Lakes. Regarding SID's, Berger said they were primarily commercial. Carroll stated that in the research he conducted, there were Special Districts for critical infrastructure, which included roads. Paw Paw Lake could do this, but there would be a question of how long they could do it, as well as creation of the Special District to include the entire neighborhood. Berger stated that with Chagrin Lakes, only 11 homes are involved in the process because the lake is owned by the 11 homeowners. Carroll clarified that it is not the lake utilized by the community. Berger concurred.

Carroll stated his concern would be how to prioritize and finance other neighborhoods with projects. Berger said having eight projects would not be a bad thing in concept, but the Village would need to determine how to manage and fund them. Carroll also addressed the issue of some HOA's being undercapitalized in covering such costs. He was cautious about the Village being the financial arm to HOA's and residents who did not take the necessary steps to fund projects. At the end of the day, the residents purchased homes on a lake knowing they were

responsible for it and should have had a plan for it. Berger said that Chagrin Lakes had been dredged and money had been spent on repairs to maintain the lake. They were looking for someone to finance it over 20 years rather than telling 11 residents they had to pay \$30,000 immediately. Carroll emphasized that there are two parallel paths whereby the Village wanted to support Chagrin Lakes, it also still wanted to support Paw Paw Lake in some fashion. However, it must be legal, right, and equitable across the Village. Berger said that whoever brings the project to the Village, if it made sense, the Village needed to do it, which was why the Village needed to know how to get the money. He thought the Village could end up with \$4 to \$5 million in projects in the Village. The Village did not have the cash to back it up, so it needed to determine how to finance it. Carroll added that if the Village were going to look at one project, it should look at all of them and prioritize the ones with the greatest impact on the community. Berger said he had a test case with Chagrin Lakes, and he would not want to walk away from the process because it received a low priority. They came with the best plan and the Village needed to follow through if it made sense. Berger continued to say that Chagrin Lakes would then serve as a model for other projects in the Village. Carroll cautioned that before doing the first, there must be a plan because other communities would surely come forward with similar requests. It would be necessary to let the communities know so that plans could be presented and prioritized unless a critical need arose. Berger said that handling it by resolution for a dam would be different than creating a Special District.

The Fiscal Officer stated that because the issue involved water, the order of the projects would need to ensure that others were not negatively impacted. Berger stated this would go back to the strategic plan with working on the high ground first.

Berger clarified that he was not stepping outside his lane but was asked to attend the meeting and he suggested the involvement of the Mayor. Carroll asked if the meeting occurred over Zoom, and Berger stated the meeting occurred on the resident's back porch. Berger stated there will be a Zoom meeting for the 11 residents, and Carroll asked if Berger would be participating. He said yes and invited Carroll. Berger explained that the Mayor's intention was that after the Zoom meeting, there would be a conversation at the next Council meeting. Carroll advised he would sit in on the Zoom meeting.

The meeting was adjourned at 9:45 a.m.



Michael Carroll, Chair of Finance Committee

Prepared by Leslie Galicki