

**Finance Committee Meeting
December 15, 2023, 10:50 a.m.**

Present: Chairman Berger, Council Member Galicki, Fiscal Officer Romanowski, Police Chief Rizzo

Berger called the meeting to order.

- There was discussion regarding the estimated year end balance being approximately \$2.5 million. With the 2024 budget reflecting a \$400,000 deficit, it was felt that cash balances would be strong enough to support building a \$700,000 salt dome if that is where costs come in.
- January 19th at 7:30 a.m., there will be a joint meeting of the Streets and Finance Committees. The Engineer will be present at this meeting with drawings and estimates for a salt dome. Summer 2024 is the estimated timeline for construction.
- The Finance committee will meet on Tuesday, January 16th at 9 a.m.
- The Public Utilities Committee will meet on January 19th at 9:00 a.m.
- The Fiscal Officer will send out a calendar to elected officials of Council meeting, Council packet, and deadline submission dates for officials to use when preparing committee schedules for 2024.
- There was discussion about the agreement between SRV and the County ADP service and miscommunication between the two. After talking to other communities who utilize ADP services, there were some questions. It was agreed that it would be in SRV's best interest to get questions answered by ADP so that the Village is properly prepared and knows what to expect in terms of the transition of service. Some questions include:
 - If a computer is compromised and taken off site by ADP for repairs, what is the expected time that computer would be out and how would the office continue to flow workwise (e.g., finance software).
 - Would the Village still be able to utilize services such as Adobe Acrobat.
 - How long should the Village expect the transition to take place (for example, would email be down, connection to copier/printer, etc).
- Berger to call County Auditor Walder to see if the committee can meet with ADP in January to get questions answered and produce a plan/timeline.

Meeting adjourned at 11:40 am

**Finance Committee Meeting
November 17, 2023, 9:00 a.m.**

Present: Chairman Berger, Council Member Galicki, Fiscal Officer Romanowski

Berger called the meeting to order.

Berger wanted to discuss the budget and asked that the Fiscal Officer explain sources of funds for the budget. The Fiscal Officer said that the Village gets its money from Income Taxes, levies, local government fund (trickle down from the State), and Motor Vehicle (trickle down). Berger asked her to identify the significant sources and she said it would be Property Taxes, Homestead and Rollback (the State's portion of property taxes for seniors), Local Government, Gasoline Tax (close to \$200,000 per year), and Motor Vehicle Tax (\$30,000). Berger asked if there were any major deviations from the budget. The Fiscal Officer needed to review the budget adjustments from the Council meeting and look at the budget for things that were budgeted but will not be happening this year. For example, the Central Retention Basin repair will not be happening and \$22,000 was left in funding that must be spent next year. She added this to the budget. This will help cash balances at the end of the year.

Berger asked for an explanation about the Revenue Report. The Fiscal Officer explained that the Village has its levies which revenues are dedicated to those funds. There is Income Tax, which goes into the General Fund. From there, money is transferred into the other funds as needed. All of these must be recorded and because it is a transaction of money, when she budgets to the county, she has to account for these. For the committee's point of view, when the money comes in, the Village has the money. In State accounting, it is counted twice; once when the Village receives it and once when it is transferred. Berger had concern about proposed legislation about Income Tax Collection relative to remote working and how this will impact the Village in 2024.

Berger noted that \$2,075,000 was budgeted in Income Tax and \$2,255,000 had been collected. The Fiscal Officer explained that the budget was amended part way through the year because collections were up. She amended the income tax revenue to \$2.5 million, and Berger asked if the Village would reach this. The Fiscal Officer said this would depend on November's numbers. Berger asked if \$2.5 million made sense to the Fiscal Officer, and she explained that this increase in Income Tax is an anomaly. She would need to look at historic numbers for December. Berger said that to date, the State has not enacted legislation changing how they collect Income Tax. The Fiscal Officer said it has, which is why the Village must make the amendments to its legislation because they are State mandated. Fiscal Officer explained that remote workers tax collection is based on where the worker is physically working. Berger clarified that at one point, the State was talking about collecting all the income tax and putting it in one big pot and then dividing it as it saw fit, and people fought back. As he understands the new legislation, they have specified that the tax is collected for where the person works. From that perspective, the Village is ok. For 2024, if they think that \$2.5 million is the real number for 2023, then 2024 should not change. Galicki said that the unknown is how many people will have to return to the physical office location and not be working from home. It is hard to predict. For planning purposes, he thought the Fiscal Officer was in the ballpark and they could probably expect this amount. The Fiscal Officer further explained that \$2.6 million was used for the Tax Budget in July for 2024.

Berger asked where they stood with the projected deficit, and the Fiscal Officer said it was a deficit of \$1.34 million. Following discussion at the 11/13/23 Council meeting, some expenses were removed, but there were others added for Bell Rd. engineering and the Bell Rd. east culvert replacement. The Fiscal Officer explained the process of creating the Tax Budget in July, which gets certified and is what the Village must budget

expenses within per fund. In July, she must estimate what all the revenues and expenses will be for the following year, calculate the revenue the levies will bring in and then estimate the transfers needed per fund so there will be enough in each fund to cover those expenses. On the first round of the budget, there will be limitations on some funds because the actual projected expenses are higher than what was estimated in July. Once the cash balances are certified in January, then the Village is allowed to amend the budget.

In January, the revenues will be revised for the \$70,000 culvert grant and also for the \$95,000 for the school for the reimbursement of the School Safety Officer (SSO). Berger asked if this was the largest projected deficit the Village has had. The Fiscal Officer concurred that during her time with the Village it is. Berger did not have a problem with a deficit budget as long as the cash carried-forward covered the expenses, and that the Village maintained the \$1 million minimum that Council said it wanted to have as a safety net. If the cash carry forward at the end of 2023 is going to be at least \$2.174 million, then he is ok. The Fiscal Officer said at the end of October, the cash balance was \$3.25 million, which includes STAR Ohio (\$640,000) and U.S. Bank (\$1 million). For the year, at the end of October, the Village is down \$26,000. Regarding pending bills, the Fiscal Officer needed to speak with the Engineer about the anticipated Road Program payment, but it would not be \$1 million. Berger said he was trying to ascertain whether the Fiscal Officer believed that in the next 45 days, the Village would not be spending \$2 million. He clarified that the Village could cover a deficit of \$1.174 million with what the Village has and what is projected in revenues, not including the windfall created by the property tax situation.

With this information, Berger felt the committee could say that the Village can mitigate the windfall, which will be recommended at the November 27th meeting. Berger said that the math had been done to say that the Village does not have a deficit problem with the budget. Now they can go back and look at the budget expenses and identify whether there are things that needed to be cut or added. The Streets Committee took a whack at it with the Road Program and deferring the purchase of a vehicle. From a finance standpoint, Berger wanted to do more work to figure out the salt dome project. Galicki agreed and wondered whether the salt dome with the addition of the garages and climate-controlled space was really needed at this time or could be deferred. It could end up being \$1 million with the additions and unknown engineering fees. Berger advised that the Street Department has been asked to look at whether there is a way to only replace the base and reuse the dome if it is not at the end of its useful life. Before adding things to it, they should wait to see if a partial rebuild is feasible.

Galicki asked if it was necessary to take the vehicle out of the budget because the Village has the Reserve Fund. It is as if it is being viewed as the vehicle funds coming from the General Fund. He questioned if deferring this purchase really saved the Village money. The Fiscal Officer explained it would reduce the overall deficit, but the funds are limited to large equipment purchases and cannot be used elsewhere.

Berger asked if the vehicle fund was restricted, and the Fiscal Officer said it was and was only for large equipment. He asked if there was a difference between restricted and reserve. The Fiscal Officer explained that the Reserve Fund was set up with a specific amount of money being put into it per year for five years. It can only be used for large equipment. Berger verified that if the money was needed for something else, as a reserve fund, Council could take action to move the money. The Fiscal Officer added it would also involve the county. Both the reserve fund and a restricted fund are restrictive. When the county looks at the Village's Tax Budget, it does not include the Reserve Fund balances in the overall cash available, but rather as a way to save for larger purchases. Berger said that the funds in a Reserve Fund could be clawed back with an action of Council. The restricted funds require further action by the State.

The Fiscal Officer said the Village created the large equipment and the Bell Rd. east Reserve Funds. When this was done, Bell Rd. east was going to be done in 2024 but now it is pushed to 2025 and the Reserve Fund

expires in 2024. The Village will have to pull it back for this reason. Berger said Council can pull it back and create a new fund for 2025. The Fiscal Officer further explained that this may not be necessary because it would be a one-year situation and would be budgeted for in the 2025 Tax Budget. Berger felt that the Village should try whenever possible to use reserve funds and not restricted funds for flexibility. Galicki asked for clarification about restricted funds. The Fiscal Officer provided an explanation and said that every fund is restricted except for the General Fund. Berger clarified that except for the two reserve funds, everything else by law must be a restricted fund, which involves going to the State to get out of. The Fiscal Officer provided the example of money put in a fund for the Parkland Dam issue, but now they are using the ESID. It will be necessary to get the blessing of the State to move the money back. Berger asked if it could have been put in a reserve fund, and the Fiscal Officer said reserve funds are selective and cannot be set up for everything and must be approved by the county. Berger's understanding of reserve funds was different than what the Fiscal Officer was saying, and he needed clarification. He liked the flexibility of the reserve funds, and the Fiscal Officer explained that it is not permissible to put money in a fund with the intention of eventually pulling it back. Berger recalled this. He said he liked targeting money for specifics but did not want to trap the Village into what happened with Parkland.

Berger asked if the committee was comfortable with recommending the budget as it stands to Council for approval for 2024. The Fiscal Officer said she needed to look at where she thought the cash balance carryover would be. There may be a huge deficit, but they would have cash balances that were remaining for projects that are being done. Berger calculated that if the Village ran to budget for 2024, it would end up with a cash balance of \$1.8 million at the end of 2024. There would be the \$1 million floor and \$800,000 in cash above that. Galicki asked how often the Village runs to budget. The Fiscal Officer said that traditionally the Village has been conservative on its estimates with expenses and have come in below what was anticipated. Galicki said that in 2023, the Village did not anticipate spending \$450,000 on property, and wondered how this expenditure affected the budget. The Fiscal Officer advised that the Village had the cash balances in addition to money that had been budgeted for engineering for Bell Rd. to be paid this year, which did not happen. The Village also thought the salt dome would be done this year and was not. Some things were pushed to next year and with the cash balances, it was possible to purchase the corner property. To this point, it is necessary to have some cash balance in the event something like this happens.

Galicki inquired about the projects that will be carried over to next year in terms of their impact on the budget. Are all of these anticipated costs reflected in the budget? The Fiscal Officer indicated that the ones she knew of were, but she does not know how much more the Manor Brook project will cost. Galicki asked about the corrective actions required to the Central Retention Basin, and the Fiscal Officer indicated she put the remaining ARPA funds in the budget because by law they need to be spent by the end of next year or the Village will lose them. The Engineer did not think the Central Retention Basin issues would be addressed until next year.

Berger summarized that they have anticipated what they can. If this is the worse case scenario and revenues hold, the Village should end up with \$1.8 million in cash at the end of 2024 which would meet their criteria. Galicki clarified that this would be with the salt dome included, Berger concurred. This would be \$680,000 and \$60,000 for Engineering, which would be \$740,000. Galicki clarified that this was the cost without the additional wings. The Fiscal Officer offered that when the Cemetery was built, it cost less than a half million dollars and the Village spent eight years planning it. She realized that the Village needed a salt dome but questioned whether it needed to be three quarters of a million dollars. She wondered if there were other options. Berger said that no one was saying they should go with this plan. What was offered is how much it would cost to replace it from the ground up. Berger had conversations about other options and considered regionalism with Bainbridge, Chagrin, Moreland Hills, and Russell. Galicki asked if other contractors had been

considered in terms of design and construction, and Berger said he had not been involved to this extent. Galicki did not know whether they had done due diligence with design options. Berger said he put the word out that he would not approve of going forward with this project until the questions were answered. He had spoken to the Engineer and the Streets Committee and said they needed to reexamine the project. He was not excited about spending \$750,000 on a salt dome or any additions. He felt it needed to be in the budget because the Village may be compelled to write this check. Galicki noted that the Village has doubled its Streets Budget for the last couple of years. However, even five years ago, the Village's worst street was better than the best street of neighboring communities. A robust road program brought all the streets up significantly, but in five to ten years, will they all require significant maintenance at the same time? In years past, there was a measured approach. This could have been \$700,000 that the Village might have today had it not doubled the program. Galicki wanted to ensure the Village went through the proper process with this project. The Fiscal Officer explained that the project will cost \$60,000 for Engineering for design. In order to accomplish this, the Village needs to know what it wants. Will it only be one idea, or did they explore other options? Galicki said that for all the discussion Council has had on the topic, no one has seen an architectural rendering of what it will look like. Berger noted that there is a safety issue with the salt dome that should be addressed sooner rather than later. They have one plan. Berger suggested a smaller salt dome and/or other options to store the salt. The salt company can do it at a price, but they do not do a good job. He hoped the questions were being asked, but until there were answers, Berger would not sign off on building it just because they had the money. If the salt dome does not get done this year, then the budget would only be \$400,000 over.

Berger asked if the committee was willing to recommend the budget as presented. Galicki had reservations about the costs of the salt dome. Even without the additions to it, he wondered if there were other options. Berger offered that the committee could approve the budget as is and say that the committee did not have confidence that \$740,000 is the real number for the salt dome. They would need to put \$1 million in the budget because that is what it would end up being. Or the committee could say they did not like the \$740,000 and will only put \$300,000 to \$500,000 in the budget and they needed to figure it out. Galicki admitted that neither one of them knew if this was even reasonable. He reiterated that the options do not appear to have been vetted or presented to Council which has resulted in his lack of comfort. Berger proposed taking the salt dome completely out of the budget until the committee is given something they can understand. Galicki liked this option. From a strategic perspective, they should be starting with the desired end state of a new salt dome and then plan backwards from there. The concept is based on the Orange salt dome, but the preliminary cost estimates were Orange's costs from a decade ago. Prices have changed. If the Village needed the salt dome, he would be behind it, but felt the way the project had been presented left him uneasy. Berger proposed taking the salt dome out but keeping \$25,000 in engineering costs to determine what the Village needs. The understanding would be that once the balances were certified, the budget would need to be amended when they knew what was wanted for the salt dome. From a financial perspective, Berger thought it was so nebulous that it could not be defined and therefore the committee could not put it in the budget. Galicki agreed and suggested that the engineering budget could be increased to get the Village on the path of the true expense. Berger suggested leaving the proposed \$60,000 in the budget for engineering and removing the salt dome pending a better definition. Berger advised that they should not put dollars to items that do not have a sense of reasonableness to them.

Berger concluded that this would be the budget recommended to Council on November 27th.

Regarding the property tax issue, Berger clarified that the estimate from county was that the windfall of the property tax was \$195,000. The recommendation reduces the burden on the residents by \$162,000. He clarified this was because millage is being used and this is the closest half percent. The Fiscal Officer concurred and

explained that the county provided the calculations, and the Village will be up around \$30,000. Berger verified they were suspending 1 mill for one year and this was a year-to-year arrangement. Galicki explained that this was to give the State legislature the opportunity to respond to the matter. The Fiscal Officer offered that the County Auditor provided videos on the website explaining the revaluation process. Berger concluded that with the budget as proposed, there was no reason for the Village to take the property tax revenue windfall, save the 10% property taxes would go up anyway.

Berger concluded that the committee would recommend to Council on November 27th that it suspend collection of 1.0 mill for one year from the Road and Bridges Fund, which approximates \$162,000 in deferred revenue pending legislation from the State to resolve this issue. Galicki verified this was the only levy that could be utilized. The Fiscal Officer concurred and explained that the others are qualified, and the Village receives Homestead and Rollback from the State, which it would not want to lose. Berger said it is the intention that when the Village collects the \$195,000 from property taxes, this money will go to the General Fund and \$162,000 will be transferred to the Road and Bridges Fund to replace the lost revenue. He felt it needed to be clarified that the Road and Bridges program will not suffer because of the suspension. Approval of this legislation would be the recommendation to Council.

Galicki offered once this is approved, the County Auditor's calculation tool will be adjusted so the residents can see the impact on their taxes.

Regarding the legislation for the State mandated municipal tax changes, Berger said it would be presented at the November 27th meeting with readings waived.

The Fiscal Officer explained the budget information that would be provided in Council packets. She will provide the budget with the "wants" and the budget that can be adopted according to the limitations by the Tax Budget.

The Fiscal Officer discussed the status of acquiring new desks for Administration, which had been budgeted.

The committee shared thoughts of a municipal structure. Berger offered that there had been discussions about building a cold storage facility with lighting but no heat to store equipment for the Service Department. A \$100,000 barn makes more sense than building a new Service Department.

Berger adjourned the meeting at 10:09 a.m.

**Finance Committee Meeting
October 23, 2023, 2:30 p.m. Village Hall**

Present: Chairman Berger, Council Member Galicki, Fiscal Officer Romanowski, Mayor Koons, Solicitor Matheney

The committee discussed the proposed budget deficit. Berger reported that he spoke to the Street Commissioner (SC) about the salt dome and regionalization ~ perhaps storing salt at other locations. SC will talk to Bainbridge, which stores salt for the State. If the Village can store salt with Bainbridge then it can build a smaller salt dome on the Village campus. He did not know how much the rent would be to store salt. Chagrin is building a new salt dome and Russell has smaller salt domes but has land space. Galicki asked if he was referring to smaller as in capacity or without extra structures. Berger replied that if the salt dome is half the size, it should be half the cost. Berger said over the last five years, the maximum amount of salt used in a year was 1,700 tons; last year, 1,000 tons was used. Berger asked if it was possible to store the salt with the supplier and then get deliveries on a regular basis. To store the salt would be \$7 per ton, but they store it on the ground with a tarp over it and it turns into a mess. The agreement dictates that salt must be taken between January 1st and March 31st. There are 1,000 tons in the salt dome now. Berger wants to avoid paying \$700,000 for a salt dome.

Berger reported there is a "clean streets policy" in SRV. Dramatically more salt is used in SRV than neighboring communities. Russell only uses 500 tons per year, which is 30-50% of what the Village uses. He questioned whether the Village is oversalting resulting in the need for a giant facility to have all the salt when it really isn't needed. Galicki replied that he had not heard of the "clean streets policy" and asked if it was a written policy or practice passed down from former the SC. Berger replied that according to SC, it has been that way for more than 30 years. It is a choice with financial ramifications.

The Solicitor commented that Russell has two state routes and Bainbridge might be a better comparison. Berger said Bainbridge uses 2,200 tons per year, however they have more road mileage.

Berger said the Streets Committee has not been involved in the conversation, he was just doing research from a finance perspective. The salt dome is a big question mark for the budget. In 2015, Chardon built a salt dome with the idea that they would store salt for five different municipalities. Maybe the Village could collaborate with a neighbor to build a joint dome somewhere. Mayor said it would be best to do it with Russell. Berger stated that Russell does not have the capacity. A facility would need to be built, but where?

FO referred to a previous discussion about a concrete structure. She asked if perhaps it could be scaled back to a less robust structure and set back with trees around it, so it is less visible from the street. She asked if there are there quotes for other options for a salt dome.

Berger said he asked the SC to come up with other possibilities. Mayor said he will contact Russell and Bainbridge trustees.

For budget purposes, FO was told to leave the salt dome in at \$680,000 as a placeholder. FO informed the group that the amount does not include engineering, or add-ons.

Regarding pond assessments, Berger said the budget number should be less than \$5,000 for assessments of ponds for which there are easements.

For the corner lot, the FO said the Engineer was directed to explore options and the Village would incur engineering costs. The Solicitor reminded the group that the Engineer said it should be a grass roots effort and then CT would help. Mayor said he wanted to keep that one tight. He does not want a committee of citizens giving advice. Berger and Canton talked about the clock - \$13,000 - \$15,000 range and asked the Engineer to draft something up. Properties needs to provide a budget number for this line item.

The Mayor has not yet spoken to CRWP to get a cost of taking over the MS4 reporting.

Berger asked if the Fairview/Chagrin Heights drainage issue is in the budget for Streets. Is additional money needed? Galicki said it is not included because it is a new issue.

There was discussion about ditching behind homes on Chillicothe Rd. The Mayor said the residents provided permission for the Engineer to do a survey, then the Village will do easements. Mayor thinks it will be \$5,000 alone for the survey and the work will be \$7,000 - \$10,000. Berger thought this was in the budget, but not the survey. Galicki asked if there is a footprint of an old ditch that the Village would be refreshing. Berger replied that there was more to it than that. It is an extension of the Chillicothe/Bel Meadow ditch.

As a point of clarification, the FO verified, the Village has permission to go onto property, then they will do the survey, and then the easements will be obtained to do the work, and then there will be an estimated cost at that point. Mayor said to plug in \$20,000 for it. FO asked if this included engineering. The Mayor replied yes it did.

For the Fairview project, Berger said there are two backyards where water comes to a standstill. First it was the Village would dig a ditch, but now a drainage pipe will be put in to carry the water out of the yard to the storm drain. Berger said the reason for the water sitting in the backyard was that there was drainage from somewhere else that the Village had created that was stopping in their backyard. It was stormwater related. Berger said to put \$10,000 for that issue in the budget.

Regarding Manor Brook II, Berger said he couldn't speak to whether this is a real opportunity. They are doing the ESID work.

The Streets Committee has to make the call on the Road Program budget.

Mayor said the Road Program is a want and it can be held off for a year. Galicki agreed and said the Road Program has been plussed up in past years. The Village spent hundreds of thousands of dollars more than the historical amount. He was concerned about seeing obsolescence all at once in the future. His takeaway from the OML Conference is that the Village is in a wonderful position financially compared to a lot of comparable and larger-sized villages and cities in the state. Municipalities are worried about the potential increase in the contribution to the police retirement fund and impact. Some will have to disestablish local police departments and go with the county sheriff. There is a value to maintaining a financial comfort zone.

The Solicitor said with the Road Levy, the Village can suspend collections. FO reported the Road Levy brings in approximately \$230,000 per year and the Street Committee is talking about a \$650,000 Road Program. Galicki said historically it was about a \$300,000 Road Program, but almost double or more than that for the last couple of years. He recommends going back to the more traditional amount to keep within levy parameters. It is not necessary to get everything to 100% in a couple of years. Berger said there is a schedule and the goal is to get to 75 minimum score on all the roads and it's close. He asked if that is way over the top. Galicki replied that he thought it was and said the Village's worst road is in better shape than best roads in some neighboring communities. He is concerned that in 20 years the Village will have to do all the roads at once and the Village may not be as financially fit as it is today.

Berger stated the Village may need to go back and rethink the Road Program. He said Bell Rd. East is going to be done in 2025 and he doesn't want to have to do a \$700,000 Road Program on top of that.

Berger reported the Village has a proposed deficit of \$1,350,000. FO replied that is without what the committee told her today, engineering, design, survey, or other committee adjustments. Berger said that is a good problem to have. There is a wish list, but now they need to start paring the wish list down.

Berger asked the Solicitor what Council can do to plan the use of her services instead of knee-jerk reaction.

The Solicitor said lack of planning results in expenses – when things happen that have to be undone. Significant things that have taken a lot of time that are not typical include imminent litigation, the red barn (procedural nightmare) – BZA, Zoning, PC. In 2022 where PC made a decision, and it was appealed to the BZA – never happened. The Solicitor said when she does not have committee minutes and she is not given the full information it causes more work in the long run. There are a lot of start-stop projects. Things get queued up and then fall off the table, and then start back up a year or two later. There could be more planning on the Village's part. The most expensive things are when things are done without consulting the Solicitor or figuring out the right process or what the plan or goal really is. That takes time and expense.

Galicki asked if the Solicitor is doing administrative work that the FO/administrative staff could do such as drafting legislation. The Solicitor replied that the administrative staff should not do legislation, but they can, and she could review. The Solicitor said there have been a lot of public records requests that needed legal review and redaction. This can be complicated. Imminent litigation. Administrative staff does a great job in trying to funnel it down. Like it or not, SRV has numerous things that come up. The previous discount is not being offered because her rate is not going up and hasn't been in five years. Other municipalities TDD represents do not have this hourly rate.

The Solicitor said committees that are considering different aspects of the same thing could have joint meetings to discuss.

Regarding the easement discussion, there was confusion with the Engineer. Berger said that is an example of something that does not have to be done immediately and can be given to a colleague at a lower rate.

The Solicitor asked if Fairview property acquisition is in the budget. Mayor said it wasn't. He hadn't talked to people about it. He told people to take a look at it.

FO explained that admin tries to take care of / draft standard yearly things like the Road Program legislation, but still gives it to Solicitor to review. She gave the example of the NOPEC agreement for streetlights where she gave it to the Solicitor to review because there is always something that the Solicitor may want revised. She said in the past, before involving the Solicitor, Council would weigh in as to whether it was something they wanted to do. They would have some basic information and then decide if it was something they were interested in as a whole before incurring legal fees. With the employee handbook, the last time the handbook was updated, the committee met and worked on it themselves. When they understood what they wanted, did some research and put together a draft, that's when they went to the Solicitor for advice and review. The Solicitor was the last step. She gave another example of the pavilion permit process. It has been worked on for three years and no committee has ever approved it but there are a lot of legal fees invested in it. The Solicitor concurred.

Some villages do not have the Solicitor attend every meeting. Galicki asked the Solicitor if she attended other meetings like the CRWP in the past. The Solicitor replied for Special meetings of Council, and she usually asks if she is needed or not.

Galicki asked if there is merit to having the Solicitor only attend one meeting a month like the Engineer. FO commented that some municipalities have two meetings a month where one is a work session and the other is just to consider approval. She asked which meeting would the Solicitor attend. Berger said he is less concerned about meetings and more concerned about how we utilize the Solicitor in the projects. Has permission been given to the Solicitor to push back to ask about timeframe and necessity? Council needs to ask this of themselves until there is a better understanding of a project and scope of work needed from the Solicitor.

FO said some municipalities specify who is allowed to contact the Solicitor. The Solicitor stated that is spelled out in the contract as to who is the point person. TDD does not have this with their clients. She would not want there to be a chilling effect where someone would not call her with an issue. Berger wouldn't want to preclude other council members from calling the Solicitor by requiring approval.

FO commented that sometimes the Solicitor is doing footwork the committees could be doing, or the committees could ask the administrative staff to do. Berger wants the Solicitor to push back as to whether the committee has done its homework first. If someone is abusing the privilege, Berger wants the Solicitor to suggest meeting with Council to say someone is out of line.

Discussion of Socia Media policy and authority to speak to the press.

Berger and Galicki concurred that they'd recommend approval of TDD contract.

FO said STAR Ohio needs two signers. Without having a Fiscal Auditor, the only one currently approved is the FO. The FO had contacted the Solicitor if the Village could authorize the same signers as those who sign checks, which is the FO, FA, and current Finance Committee members. The Solicitor explained the section refers to the Ohio Subdivision Fund she was not sure if this is predecessor to STAR Ohio. If it is, the section should be changed and also the additional signer should be added. It is not the same as the issuance of a check because there are other things with STAR Ohio. There was discussion about who had bonds. FO said the Village no longer has Public Official Bonds, but rather Faithful Performance insurance.

Regarding the Ohio Subdivision Fund, the Solicitor said if it is the same fund, the name should be changed. If it is different, a section should be added. Berger Concurred.

The Solicitor reported there was new legislation passed effective in January regarding municipal income tax collection and changes needed to be made to the ordinance. She is looking for a recommendation from Finance to amend the code according to the new law. She will prepare that for the Committee's review and recommendation to Council.

FO stated she sent the committee information from the Budget Commission about the property reevaluation. They are asking everyone to look at taxes and consider reducing collection of a levy to assist residents with the upcoming increase in property taxes based on the revaluation.

FO asked about Wreaths Across America. She said the Finance Committee discussed it previously but then Mayor said to put it back on the agenda again. FO said the Village should not be in the donation collection business. Berger clarified for a third party. FO said generally in the program there would be a committee that would be the go between the Village and Wreaths Across America. The Village would not be involved. After discussion, Berger said to put a line item in budget and write a check if Council supports. FO asked why the Village couldn't put money in the budget and put wreaths on the graves themselves just like the Village puts flags on Veteran graves. Galicki said his understanding is that the Village could write a check, but it does not guarantee that it would purchase wreaths for our cemeteries. FO said her understanding was that it goes to the overall program. Berger stated in the Cemetery budget add a line for \$250 for wreaths and the Village can

purchase and install them itself. Berger said this is making the statement that it recognizes and values the service that they gave to the country and is honoring them. Berger will talk to Linda Mattern. Mayor said to hold on, because he has already talked to Friday Tomco, and the Village can buy the wreaths from them (Wreaths Across America).

FO provided a comparable salary increase spreadsheet. The budget reflects 3.5% Berger – the difference between 2.75% and 3% is \$4,500. In terms of an overall budget, 3% makes sense, and Galicki concurred.

Motion for healthcare and salary increase for 10/23 meeting and FO will put this in the budget.

Adjourn at 4:03 p.m.

Finance Committee

Meeting Minutes

29 September 2023

Attendees:

Danielle Romanowski (DR)

Dennis Galicki (DG)

Chris Berger (CB)

Called to order at 9:00AM

1. Review of check run DG and CB questioned payments to Blue Dog (resident grass cutting) and the Chagrin Valley Times (legal notices). DR answered and checks were signed.
2. Budget Session for October 2nd – Discussion of major projects for 2024. DG raised the issue of the Salt Dome. The current quote was \$426K which everyone thought was low. DR to ask the Engineer for an update prior to Monday's meeting.
3. The Solicitor proposed a new Agreement for services. All agreed that they were happy with the services provided. CB noted that the new agreement increased costs \$7800 annually and that needed review.
4. DR presented the annual increase from Medical Mutual at 7.7% for health insurance. Other quotes were not competitive.
5. DR presented the SERB report for 2023 as a tool to analyze compensation increases across Ohio in government entities. All agreed the consensus increases were between 2.5 and 3.5 percent. HRC will make a recommendation to Council.
6. Short discussion of potential projects for 2024 including the Service Dept. roof, solar panels, Crosswalk project on Bell, and Fairview house purchase. DG suggested all required further review before acting on them. CB concurred.

No other business.

Meeting adjourned at 9:48AM. Next meeting is 10/20/23 at 9:00AM

Submitted by Christopher J. Berger, Chair

FINANCE COMMITTEE MEETING – 8/18/23 @ 9 am

FO Notes

Present: Berger, Galicki, Koons, Romanowski, Solicitor

The Solicitor explained that she reviewed the template agreement with ADP for IT Services for the Village. Upon review, the termination clause of the agreement states that the only one that can terminate the agreement is ADP per a written agreement. Under other sections of the agreement, it does state under what conditions the Village could get out. She knows when ADP presented to the Village, they indicated the Village could terminate. Additionally, the agreement states that issues need to be mailed to ADP by certified mail, which she believes is outdated. She would like to reach out to ADP's legal counsel for clarification on what "immediately report" means, how issues will be reported, the reference to indemnification in the agreement, as well as some other questions she has. The committee agreed the Solicitor should reach out to ADP's legal counsel for clarification. The Solicitor said she will reach out to the Prosecutor's office with proposed revisions. If she gets the final agreement back from the Prosecutor's office, she will prepare the agreement legislation and get it on the next Council meeting agenda.

There was discussion that before entering into the agreement, the Village would need to amend the budget to have the funds in place. FO is to contact the ADP office and find out: If it is approved on 9/11/23, when could the Village expect the transition to ADP would be complete? How often does ADP do billing? The Solicitor stated the agreement does state that the Village is to make payment within 30 days of receiving the invoice. The committee understood the funds needed to be budgeted for at the time of entering the agreement, though it is likely the funds would not be expended until the project is complete, which is likely to be in 2024. Since the Village doesn't encumber expenses if it isn't necessary, it would have to re-budget for this expense in 2024, similarly to what is being done for the new cruiser.

Berger said it isn't a question of *if* the Village gets attacked, it is *when*. The Village needs to get the security in place. The County has developed a robust program under which the Village can get coverage without going to a private company for these services. FO explained that being government, the County understands what the requirements are. She stated she attended her national Finance Officers training virtually earlier in the week and they confirmed everything ADP presented to the Village – such as where most cyber-attacks are coming from and what brands of equipment should be avoided.

FO is to get the necessary appropriation amendment prepared for consideration at the 9/11/23 Council meeting. Some money will be recouped from selling equipment taken out of service on GovDeals. It likely will not be much, but there should be some money recouped.

FO informed the committee there will be no ARPA funds remaining for this expense. Berger said the Village may not have ARPA funds available, but it does have funds available that can be used for this expense.

Mayor will reach out to Bainbridge Twp. and Russell Twp. to solicit feedback on their satisfaction with the services they receive from ADP.

The next Treasury Investment Board (TIB) meeting is 9/5/23 at 9 am. Berger will be out of town; Galicki will attend the meeting in his absence. There was a brief discussion about increased interest rates this year versus last year.

FO reminded the group that the 2024 Tax Budget hearing is Tuesday, 8/22/23 at 11:20 a.m. She stated the Auditor's office sends out a letter letting entities know if there are any mechanical budget issues such as numbers balancing, expenses exceeding revenue, etc. The Village's letter came back that the proposed budget was reviewed and looks good. This does not mean the Budget Commission will not have questions, nor does it guarantee that they will accept the budget, it simply means there were no mechanical issues with the budget.

FO informed the committee the State Auditor's office continues to work on the Village's 2021 and 2022 financial audit both remotely and onsite. The auditor performing the leg work of the audit has left for vacation and won't be back in town until September 2nd, so the audit will resume after that. She stated that so far there are no issues, and they are happy with the turnaround time of her office getting them the documents requested. FO stated she knows people think she is "nitpicky" about processes and procedures, but having the Auditor's office in every other year scrutinizing Village records is a concrete reminder why she must remain vigilant.

FO reported that in the last audit the Village had an issue with its Credit Card Policy. FO gave the Auditor's office documentation showing that the Village passed legislation amending the policy to include the required details such as who has Village-owned credit cards, submitting receipts, how long the card can be signed out for, etc. The onsite auditor said it appeared to her the issue is now resolved and should not be an issue on the current audit report.

Berger explained to the Mayor why the Auditor's office could not provide a template policy and then audit that policy. He explained if the Auditor's office supplied the policy and there were issues, it could bring problems for the Auditor's office as they audit the Village.

FO explained that all officials who received a fraud risk assessment form from the Auditor's office, must answer it. Berger, Galicki and FO all completed theirs. The Auditor will contact those that do not respond and remind them.

The budget for Mansour, Gavin, which is providing HR related services to the Village for updating the Employee Handbook and job descriptions, has reached the amount budgeted for services for the year. The Village budgeted \$12,500 for the year and spent \$12,734.30 YTD. Upon review, it was decided to amend the budget \$10,000 for 2023, and then for 2024 budget \$12,000 for the year.

The 2024 Annual Budget work session will be Monday, October 2, 2023, at 5:30 p.m. FO will send out notice to officials. After discussion, it was decided dinner will be purchased for Village officials.

FO will be missing the October 9th Council meeting - the Administrative Assistant will be attending in her absence.

Possible locations for the Village's annual holiday luncheon for employees and elected officials was discussed. While Augie's food is fantastic, there are other restaurants in the Village that could be considered to handle approximately 30 people.

Berger stated upon reviewing the Income Tax Report, it appears that income tax is almost double of what it was in 2020. FO stated she will put together a more detailed Income Tax report next month to give a better visual of the tax collection history. There was discussion about some companies not having employees return to the office while others are now calling them back to the office. While collections are significantly increased, it would be wise for the Village to remain cautious and continue to keep a close eye on these collections.

FO explained that at the training she went to earlier in the week, they did discuss Artificial Intelligence (AI) and ways this would be taking away white-collar jobs. While some may think it is science fiction, it is happening and can also have an impact on income tax collections if people lose their jobs. Given Income Tax collections vary the most of all tax collections, this is an area that needs to be continuously monitored.

Berger stated with the Tax Budget hearing coming up, it is a reminder that the Village cannot simply accumulate money without a purpose. The Village has completed a significant number of projects with the Manor Brook retention pond, the Central Retention Basin, the larger road programs, the traffic light, etc. During the budget season, officials need to plan for the future and design a plan of what projects to undertake that will require Village funds.

The meeting was adjourned at 9:39 a.m.

Christopher J. Berger, Chair

Finance Committee

Meeting Minutes

14 July 2023

Attendees:

Mayor Koons (WK)
Danielle Romanowski (DR)
Dennis Galicki (DG)
Chris Berger (CB)
Chief Rizzo (MR)
Gerald Canton (GC)

Jason Chang

Chuck Walder
Frank Antenucci
Michael T.

Called to order at 9:00AM

1. Chuck Walder and team presented County opportunity to create GIS umbrella for cybersecurity for SRV. Cost in first year approx. \$30K as new computers need to be acquired to meet County requirements. Discussion of implementation, risks, annual costs approx. \$12K. MR noted that the police department would remain separate. Walder stated no profit – only pass through costs. County provided written proposal. Committee to review.

No other business.

Meeting adjourned at 10:18AM.

Nex meeting is 8/18/23 at 9:00AM

Submitted by Christopher J. Berger, Chair

Finance Committee Meeting – FO Notes
July 14, 2023

Present: Mayor, Galicki, Canton, FO, Chief, GC Auditor Chuck Walder, Frank Antenucci (ADP Chief Deputy Administrator), Michael Tomc (Help Desk Coordinator)

Visitor: Jason Cheng

Proposal on Cyber Security for SRV

Walder explained he previously spoke to FO and Chief about a comprehensive IT environment – a method to upgrade everything to what GC is doing in terms of what they believe is state of the art for local government. The mission of ADP in GC is to serve county departments and officials. They take care of 700 county employees and 200 in other county entities, totaling 900 individuals. They provide the most secure technology at near zero cost; they cannot make a profit from their services. The embezzlement case struck the County IT Department, and a lot of confidence was lost from users, the public, and elected officials. His mission was to restore confidence. His personal background is that he is a degreed engineer and owned a technology company for 25 years. He divested from that, retired, and then became the Fiscal Officer in Russell. After the embezzlement, certain county officials recognized that a mixture of finance and technology was needed, and he became the County Auditor who also oversees ADP.

Walder advised that Antenucci had a background as a lawyer and past administrator for the County Engineer's office. He has a background in technology and law which Walder felt were two needed components. Other department employees are homegrown staff and continued education is encouraged.

Walder explained that everyone at one point in time or another will get hit by a cyber-attack. It is not that it can be prevented, but how it is handled when it happens that is important. It needs to be addressed in an orderly manner with a good set of methodologies. The result is that the entity comes out better than it went into the scenario. Since redeveloping the ADP model, it has signed agreements with Russell, Auburn Twp., City of Chardon, Geauga Public Health, Hambden Twp., Burton Village, etc. These are not considered county offices and they are slowly expanding their base. People realize the risk has increased. The cost of protecting the network and systems is also increasing. The only way to beat this is to do it on a large scale. For example, in the last 12 months, \$1.2 million has been invested in cyber security at the county. Every user on the network benefits from this. What is provided is not the same as a Norton Antivirus and does much more. The goal is not to just detect there is an intrusion or virus, but to isolate the system that has it and shut it off from being able to penetrate everyone else's. The last thing any entity wants is catastrophic failure. It is possible to live with one node having the virus and then remediate it as opposed to being completely shut down if it spreads to the entire network. The job of ADP is to determine the best architecture that gives the entity the safe zone of operating.

Walder explained that previously, before the internet, you had a desktop computer with a modem to transmit as a short burst of data. The world has changed and nearly every device is basically internet friendly, to include refrigerators. The risk is exponential. What Walder said the biggest

mistake and confusion that can be made is thinking that ADP is a competitor with IT companies or serve as a Microcenter or data provider. ADP provides a set of pre-canned services that are secure to the county entities and the Village can choose to benefit from them or not. If the Village wants infinite freedom to do anything it wants, then ADP would not be a good fit. It is a standardized proven set of resources that constantly evolves. It provides the assurance that they understand the framework and do not want to do a bunch of one offs. ADP has 15 employees that are doing the job 24/7. He cannot put five of them into new technology for one entity. ADP understands its limitations and is not immune from error, but it has more procedures and policies of event escalation and follow-through.

Berger asked if Fire and Safety operates under the ADP, and Walder said they can, but it is their choice. Bainbridge and Chester have all of their services under ADP. Fire and Police in Russell use individual IT vendors. ADP does Russell's Admin and Road Department. In Chardon, ADP covers the city and aspects of the private Fire Department through the city. ADP cannot contract with a private company. Walder concluded that ADP can do whatever the Village wants it to do according to its comfort level.

The Fiscal Officer reviewed questions from the last Finance Committee meeting with Walder. Currently, she did not think CVD would allow the Police Department to go with ADP. The Chief explained the department is with CVD IT, so it is on a separate network. The Fiscal Officer clarified that would mean the Village would be considering service for the Service Department, Building, and Admin. A question was asked about the benefit of having a network versus independent computers, (the Village currently functions on individual computers). Walder said that server technology in general is one of the quickest changing fields. The old viewpoint was that if you were developing a network in Village Hall, you would put a server somewhere and everyone would be tied to it. The advantage of it is in backing up the data, it is not backing up a million workstations, you are backing up footprint data. The advantage is that the overhead is much lower. The backup would be done on the server and the workstations would be unaffected. That technology is changing quickly for the better. Having servers under roof is very expensive. This technology is all going to a cloud-based service, which is a virtual server somewhere in space. ADP only uses domestic clouds around the country.

The architecture ADP would develop for the Village would be more of a virtual network. This would be recommended for security and reduced costs. Servers are \$20,000 to \$30,000 to install. The life expectancy runs four to six years and does not include periodic upgrades. By putting it in the cloud, somebody else is doing this for the Village and the Village is paying a small fee. The economy of scale benefits the Village.

The Chief questioned whether separate servers would be required for each building. Walder explained the technical aspects of this dynamic. The cloud enables you to be instantly mobile versus having to use some mechanism to get into the network at the Village. Most of these techniques were learned during COVID when people started working from home. People need files from the office, so they hook into the system from the outside world and who knows what is on that computer. That became a very vulnerable issue. As a result, they started their move at that point.

Using Auburn as an example, Michael explained that Auburn's administration building, and road department are separated but employees from either building can access files since files travel everywhere and only require a sign in. ADP created a more resilient system where people have the ability to work mobile anywhere and anytime. He further explained that the network is set up in different groups so that, for instance, if email is hit with a cyber security threat, it will not necessarily affect other sharing mechanisms.

Galicki asked for clarification about why the Police Department needs to stay with CVD and the Chief explained the need for a separate network. Walder added that Police Departments tend to be technologically advanced and would not necessarily see the benefit of a conversion to ADP.

Galicki asked whether the Village was less vulnerable to intrusion given that it used individual computers and not a network. Walder explained that risks come with technological advancements. The decision maker is how well the Village wants to serve its constituents because there are new demands in the way of quicker responses and more timely postings. People want the government to have technology that performs similarly to big business. There are some benefits to doing things the old way, but if the Village were to eliminate its technology, for example, there would be no livestreaming of the meetings. And if he were to look at the YouTube account, he suspected it would be vulnerable. This is a decision the Village must make in terms of its constituents.

Michael said that in looking at individual machines that are disconnected, the notion is that if one has an issue, it will not affect the others. Individual machines have less protection in a larger environment. ADP has massive firewalls and security measures that protect the larger group. If there is an issue, it could affect others. However, individual machines without the larger protections end up being inherently much more vulnerable and can infect other machines through email, for example. In communicating with each other there is an inadvertent network.

The Fiscal Officer relayed a similar question she was asked relative to the use of independent computers. She has finance, and it was suggested to her that if her computer were to get hacked, it would just affect her and that she could go back to pen and paper and move on. However, she stated from previous training she has taken, she understands the attacker could have been in her computer for a long time, which could also contaminate her backup. Michael stated that the average wait time for a hacker to attack is six to eight months, and they go after backups first. He said the FO had a great point. When a ransom wear screen appears, the victim may think it just happened and try to go back to a backup from six months ago. There is a very high probability that the same hacker is also in the backup from that time too.

The Chief said the Village's exploration of ADP was based on an IT Risk assessment requested by the Village's insurance carrier. They will be mandating municipalities to have multifactor encryption. Walder explained that under ADP, there is a policy pertaining to passwords. ADP uses a product called Gatekeeper which stores all of the passwords and the employee only needs to remember four digits which is an encryption that sees the employee has the device and then it fills in the password. It can be used to log in, with apps, etc. and as soon as the individual walks away from the computer, it detects that he/she has left and automatically logs the person off of

the computer. It provides multifactor authentication without the pain. Walder described the initial resistance by employees to wearing the device but found more acceptance after they had to type in passwords at the outset. Walder discussed the prevalence of multifactor authentication to include on Amazon and explained how easy it is to hack passwords. Passwords that are eight characters or less can be hacked by a machine in under two seconds.

Antenucci explained that a Gatekeeper device is also a password vault that stores every password that is loaded into it. It makes life a lot easier. If the Gatekeeper device is lost, it is just necessary to immediately contact the emergency Help Desk, which locks it and issues a new one. Walder further explained that if someone were to obtain a lost Gatekeeper, they could not go to their own computer and use the login to gain access to the data.

Walder said he was sensitive to the protection of accounting data, and he surmised the Fiscal Officer did not want to go back to using paper and pencil. The Fiscal Officer expressed her concern about the existing threats and the implications. Walder asked if Carbonite provided a constant connection and offered that when a nefarious party goes into your computer, the first thing it looks for is who else are you talking to. It will see that it is connected to an outside device, and that is how it goes after the backups. It would find the files in Carbonite and then work its way back out. ADP uses a program that disconnects after doing the backup. If a nefarious entity gains access, it looks but does not see a way out and is contained. The goal is containment and assessment of the risk.

Antenucci explained that the Federal Government has specific standards on what pieces of equipment can be used in government of foreign creation. It involves critical pieces of the machine, and it is not just software, but chip physical devices. ADP limits anything with those chip physical devices. Walder advised that the biggest item is in cameras. The Chinese are voyeurs. ADP will allow a Chinese made camera as long as the chip inside is not transmitting an algorithm to China for their use. The Federal Government has provided a list of items to be cautious of and ADP has a list of items that include 'don't use' and 'can use'. Antenucci advised that they are comfortable with HP, Dell, and Microsoft even though they have Chinese made pieces. Brands like Lenovo have chips in them that are built in China. They have seen cameras on other devices in their network where the cameras are hitting an IP address in China and actually transmitting data.

The Mayor noted the initial costs and the yearly fee and asked Walder his projection of future costs. Walder anticipated conservatively that there would be no increase in the next five years, but it would depend on the market. He added that the larger the base the more power they have. The largest expense ADP had this year was a 10-point protection that would do the isolation of a computer if it were to be attacked. This was \$160,000. It has already paid for itself to include stopping a Water Resources attack. One ransomware attack can be over \$1,000,000. It is the 'pay me now, pay me later' type argument. Walder did not anticipate huge price increases and thought they had plateaued on the investment. They also have no anticipated increases in manpower for the next year and use outsourced professionals. Antenucci said the licensing cost that ADP passes along is at cost, and it is hard to say what increases Microsoft may impose.

Walder noted that this money would be spent wherever the Village gets its IT Services. He reiterated that it is provided at cost.

The Fiscal Officer verified that to make the change, the initial price would be close to \$35,000 because the Village would need computers for each department and the projected recurring cost would be close to \$12,000. This is about what the Police Department is paying for CVD IT. There was a discussion about Microsoft subscriptions. Antenucci said that in terms of email, it would be best for everyone to be on the same email.

The Fiscal Officer asked if there would be training for Microsoft 365 that is used by ADP. Walder verified it is provided and there is no charge if it is not on the price list. Antenucci offered that another benefit is that while the Village is waiting for equipment to come in, ADP can provide loaners at no cost.

The Mayor said that the downside is that the Village will have to buy five new computers. He asked if there were any other negatives. Berger asked about Council's laptops, and whether they would have access to the network. The Fiscal Officer advised that the only Council member using the Village issued computer is Chris Bell. Galicki questioned how, if Council were to relinquish the laptops, would using their personal computers work with the network. Walder said that even on private machines if Council were to choose not to have a county supported machine, they would still have the ability to use the Microsoft 365 on it. The county would not service this machine if it does not meet specifications, but it would support the user. There was further discussion about Microsoft 365 subscriptions.

The Mayor asked about the downside of the proposal, and Antenucci addressed the startup costs including upgrading equipment. Walder said that the biggest downside would be the lack of selection of equipment because it is what the county offers. It is not practical to provide a large selection.

The Fiscal Officer asked if American Rescue Plan Act (ARPA) funds can be used for this purpose. Walder described limitations with ARPA funds but said that it would all be considered normal operation. There is also a cyber security column for ARPA money that is outside of the 10 mill.

The Fiscal Officer asked how far out the Village would be looking if Council decides to join ADP. Walder said four to six months. Much is dependent on the supply chain.

Berger asked if there would be compatibility issues with software programs that are currently being used by the Village. Antenucci said this would need to be diagnosed beforehand. Berger said his biggest concern is the new Building Department software. Walder explained it is necessary to look at each situation individually but speculated that if it is commercially available to run under Windows, chances are that it is being updated. Berger said it was necessary to determine that there would be no conflicts before committing to the program. Walder said that the Village could exit this any time it wanted. The cloud is used, and the separation strategy is very simple. Berger liked that there was an exit strategy but did not want to go to his constituents after three years that the Village invested X number of dollars and it didn't work.

Walder indicated that the Village would still have everything it invested in, but just may not use Provider A. He did not want to lock people in.

With regard to conflicts with existing software, the Fiscal Officer stated she would have Mike look at her finance and cemetery software to ensure they could both be covered.

Galicki summarized that they needed to update the number of emails the Village has and the number of devices for the quote. Walder indicated it was by user. The county also keeps a bank of Microsoft 365 licenses on hand in the event someone decides they need a different version. The Chief said there would be a total of seven additional G1 licenses, six Council members, the Mayor, and the Fire Inspector.

The Fiscal Officer asked about public records requests. Walder advised that the information would be available as long as the material is stored in the system not on the device.

Galicki asked if Walder had received any complaints, and he said only that they do not bill quickly enough. Antenucci said the 25 character password length is also a complaint.

Berger asked about the response time, and Antenucci said it is usually within 24 hours and Walder advised that they have a triage system and address pressing issues 24/7.

The Fiscal Officer referenced the matter involving the identification and handling of the threat with Water Resources Department and Antenucci described how it was detected, blocked, isolated, and secured it. There is a 24-hour security operation center where humans monitor the network for these issues 24/7.

Finance Committee

Meeting Minutes

16 June 2023

Attendees:

Mayor Koons (WK)
Danielle Romanowski (DR)
Dennis Galicki (DG)
Chris Berger (CB)

Called to order at 9:03AM

1. Tax Budget information – DR to deliver next week
2. DR presented a proposal from County to install and manage a computer network for the Village. Would require replacing all “Chinese” made equipment. CB asked why we needed a network? DR to arrange a presentation by County at July meeting.
3. DR stated that Admin was not interested in moving to either of the newly acquired buildings.
4. Bench plaque discussion of costs. DR noted that current cost is now \$1081 per bench and \$650 per tree. CB suggested raising fee to \$1100 and \$700 respectively. Committee concurred effective 7/15/23.
5. DR raised the issue that a possible loss of revenue from the state was possible due to a tax change. Impact is unknown at this time.
6. CB raised the issue of local income tax collections. Is the increase sustainable or a “covid blip?” DR stated we should continue to watch but not assume a “new normal.”
7. WK raised the issue of hiring a grant writer for the Village. Will investigate more and report.

Meeting adjourned at 9:52AM.

Nex meeting is 7/14/23 at 9:00AM

Submitted by Christopher J. Berger, Chair

Finance Committee Minutes

12 May 2023

Attending:

Danielle Romanowski (DR)
Chris Berger (CB), Chair
Dennis Galicki, Member (DG)
Mayor Koons (WK)

Meeting called to order at 2:30PM by CB.

1. CB raised the issue of the 2023 budget in view of the delay in the Salt Dome project to 2024 and the road program as accepted by Council. DR suggested that as proposed, the cash position at the end of 2023 should be approx. \$1.7 million. CB concurred. DG expressed ongoing concerns about additional anticipated expenditures not captured in the budgeting process. DG also expressed concern that the expanded 2023 road program would cause the budget to be close to the cash position floor of \$1.0 million. DR and CB explained what expenses had been accounted for in the budget and which had not to confirm the expected cash position at approx. \$1.7 million. A discussion was held concerning additional costs related to the acquisition of the Holtz property. DR noted that some of the additional costs were already budgeted and that more costs related to demolition were to be amended into the budget at the next Council meeting. All the additional amendments to the budget were factored into the expected cash flow. DR stated that once the 2023 budget was updated, she would work on completing the 5-year budget. CB reminded the committee that in previous discussions, a “first draft” floor for a cash position was \$1.0 million. Under that constraint, the budget exceeded the floor by approx. \$700K.
2. DG raised the issue of the potential purchase of the Paw Paw Lake silt pond and the impact such costs would have on the budget. CB replied as Chair of PUC, the acquisition costs, if the project were to go forward, would be of a nominal value but that splitting the property as platted would involve “a few thousands of dollars.” The major expense would be the ongoing dredging and upkeep of the silt pond. CB noted that whether or not Council would have an appetite for undertaking such a responsibility was an open question. DG responded that this was information not previously communicated to him.
3. DR asked to have the April 2023 Bank Rec and the Credit Card Report approved. DG made the motion and CB concurred.
4. DR raised the issue of having plaques purchased by the Village and reimbursed by donations. CB responded to DR’s question whether donors should purchase plaques directly from a vendor or should the Village act as a middleman? CB stated that the Village should be in control of the process to ensure compliance with Village policies. There was no further discussion.
5. DR raised the issue of OPWC grants and the timing of the projects – specifically, the Rt. 306 culverts and the traffic signal. Completion date requirements from OPWC are for July 1, 2023, and December 31, 2023 respectively. WK suggested that, as the Engineer is managing the projects, he should be asked to confirm that the projects are scheduled to

be completed within the requirement dates. CB to raise the issue at the next Council Meeting.

6. DR noted that the Reserve Fund for Bell Road East needed to be amended to move from 2024 to 2025 as the NOACA grant for the project would not be available until 2025. CB again raised the confusion between Restricted and Reserve Accounts and suggested DR contact the County Auditor to clarify the process for amending the differing accounts.

DG called to adjourn the meeting at 3:17PM. CB concurring.

Minutes approved by: _____
Christopher J. Berger, Chair

Finance Committee Minutes

14 April 2023

Attending:

Danielle Romanowski (DR)
Chris Berger (CB), Chair
Dennis Galicki, Member (DG)

Meeting called to order at 9:00AM by CB.

1. DR raised the issue of cybersecurity. Asking the County to quote. Talking to Chuck Walder looking for a cybersecurity policy. DG noted the Village needs to be diligent.
2. DR asked to have the March 2023 Bank Rec and the Credit Card Report for March approved. DG made the motion and CB concurred.
3. DR preparing the Annual Tax Budget. Discussed revenue streams and potential budget costs. CB noted that the park bathroom project would be pushed to 2024. DR suggested the road program could be difficult to manage the finances for. CB stated that the base bid is for \$50K for road repairs with options for roads. CB suggested that we wait to see what the bidding process brought before deciding budgetary issues.
4. DR noted that additional costs associated with a potential property acquisition for the Village would cost \$50K which needs to be added to the budget.
5. CB and DG discussed a cash balance floor that would be recommended to Council. Target should be \$1.5M but absolute minimum would be \$1.0M.
6. DR asked where the Crosswalk project would fall in the budgeting process. CB suggested that should be combined with Bell Road East for 2025.
7. DR noted NOPEC Grant of \$16K. We need to find projects that meet the grant criteria.
8. DR asked for a Budget number for the Woodside cleanout. CB noted that Tim Alder had offered a \$2500 budget.
9. DR asked about a budget for tying Kensington runoff to the central retention basin. CB and DG noted that no plan had been offered for such a project.
10. DR asked about a budget for the French drain at the Park. CB noted that discussions with Tim Alder said \$3500 for the project.
11. Discussed the NOACA grant for Bell Road East. All agreed was of great help to the Village.
12. DR explained her rationale for the Income projection. CB and DG agreed that her numbers were conservative and reasonable.
13. CB asked to have the Meeder meeting rescheduled for the third week of May.
14. DR asked for ideas on a donation policy for the Village. CB suggested that the policy should cover both what we will accept as donations and what donations the Village will make. Agreed to send the discussion to HR Committee to comment.

DG called to adjourn the meeting at 10:19AM. CB concurring.

Minutes approved by: _____

Christopher J. Berger, Chair

Finance Committee Minutes

24 March 2023

Attending:

Danielle Romanowski (DR)
Chris Berger (CB), Chair
Dennis Galicki, Member (DG)
William Koons (WK)

Meeting called to order at 9:06AM by CB.

1. DR asked to have the February 2023 Bank Rec and Financial Reports and the Credit Card Report for February approved. DG made the motion and CB concurred.
2. DR presented the Budgeting process for the March 27th Special Council Meeting. Discussed mandatory budget additions versus “other considerations”. Committee agreed to present to Council for opinions.
3. DR presented a draft of a Capital Purchase Planning Worksheet and a Capital Project Planning Worksheet. Agreed to present to Council.
4. WK asked about the SLFRF report due 04/30/23. DR to complete.
5. WK raised the issue of HB 1 and changes to potential income stream. Village has already agreed to support lobbying against such proposal.
6. WK presented the Moreland Hills proposal for \$500 for an environmental project in conjunction with CF High School. In light of Mayor Fritz’ passing, Committee agreed to table any action.
7. WK raised the One Ohio Foundation recommendation of Judge Stupica. Committee agreed to present to Council.
8. New Meeder Meeting to be scheduled after DR reviews and Council approves an amended budget.

DG called to adjourn the meeting at 10:26AM. CB concurring.

Minutes approved by: _____
Christopher J. Berger, Chair

Finance Committee Minutes

17 February 2023

Attending:

Danielle Romanowski (DR)
Chris Berger (CB), Chair
D. Galicki, Member (DG)

Meeting called to order at 9:02AM by CB.

1. DR reported that the preparation of the “Adam” Report was time consuming and that the information is available in a “canned” report from existing computer software. CB suggested that the solution is to train Council to read the existing report and eliminate the “Adam” Report. CB thought that the upcoming Budget Meeting with Council was a good time to do the teaching.
2. DR suggested a special council meeting to re-evaluate the budget process for 2023. Agreed. DR to schedule.
3. DR reported and the Committee agreed that a number of “extraordinary” costs are planned for 2023 without having financial support. These include:
 - a. Park Bathroom
 - b. Water Testing
 - c. Salt Dome
 - d. E. Washington St. paving
 - e. Purchase of Property
 - f. Flag Pole
 - g. Extended Road Project
4. The Committee agreed that a written process to address ALL costs of a given project needs to be undertaken to avoid “extras” popping up at the last minute – or beyond.
5. DR reported the Tax Budget Meeting will be August 22nd at 11:20AM.
6. CB raised the issue of digitizing all Village records. DR thought that the part-time Admin Assistant could help in this project.
7. DR raised the issue of ESID billing for McDonald- Hopkins. DR to review and report to Committee.
8. Next meeting is March 24th at 9:00AM.

DG called to adjourn the meeting at 9:58AM. CB concurring.

Minutes approved by: _____
Christopher J. Berger, Chair

Finance Committee Minutes

27 January 2023

Attending:

Danielle Romanowski (DR)

Chris Berger (CB), Chair

D. Galicki, Member (DG)

Meeting called to order at 9:02AM by CB.

1. DR asked to have the November and December 2022 Financial Reports and the Credit Card Report through 12/31/22 approved. DG made the motion and CB concurred.
2. DR reported no Audit issues from the State. CB noted that the financial process in lieu of a fiscal auditor is working well and that unless an issue arises, or a resident comes forward to accept the position, the Finance Committee will continue to serve the need. DG concurred.
3. DG raised the issue of budgeting – that anticipated expenses are not covered in the current budget plan. DR suggested that we have an additional budget meeting with Council in March to discuss priorities and get clarification on all expected expenditures – March 13th.
4. DR suggested that she get together with the Engineer to coordinate grant monies received and associated expenses. Not all expenses are being captured in the budgeting process.
5. DR noted that the bathroom for the Park is not budgeted nor have we all the expenses anticipated. We need to do so.
6. DR plans to meet with all committees during Q1 to review 2023 expected budget numbers to create a tax budget.
7. CB asked about the Reserve Fund – DR said no adjustments are needed at this time.
8. CB asked for clarification about Income Tax Revenues. DR explained that while revenues were up approximately \$500K, an increase was already budgeted for almost \$250K so the increase over budget was another \$250K.
9. Insurance premiums for 2023 need to be approved by Council. DR distributed copies to the Committee. CB suggested meeting with the broker to review. CB to call and schedule.
10. DR asked to put the police levy on the Council agenda for February 13th. All concurred.
11. Income Investment Board is scheduled to meet Feb. 27th. The rep from Finance changes with the new year to CB.

DG called to adjourn the meeting at 10:08AM. CB concurring.

Minutes approved by: _____

Christopher J. Berger, Chair