

Finance Committee Meeting
May 9, 2024, 10:00 a.m. Village Hall

Members Present: Chairman Berger, Council Member Galicki, Fiscal Officer Romanowski,
Mayor Koons (arrived at approx. 10:25)

Berger called the meeting to order at 10:03 a.m. Huntington Bank and Meeder Investments were discussed relative to fees. Berger stated that gross interest last month was almost \$3,800 and the Village netted almost \$2,500 after fees, which would be \$30,000 per year. The Fiscal Officer explained that the Huntington charges are dependent on the balances. In January, \$16 was paid and \$27 in February. For the other months, the balance offset the fees. Berger clarified that by State law, the Village's accounts are collateralized dollar for dollar. The FO added that another requirement for government banking is that the institution cannot have more than a small percentage in government holdings. Many banks do not want government business. Citizens Bank got rid of government banking and that was when the Village moved to Huntington. The current agreement with Huntington Bank is from August 2021 to August 2026. Berger suggested that the committee consider whether Huntington Bank is the right bank for the Village. The FO advised that changing banks is complicated. Berger understood this and also acknowledged the cost of the security the Village has with collateralization. However, he noted that the interest being paid by Huntington is much lower than that offered by other banks. The FO agreed and explained that this is the reason money would be shifted to STAR Ohio. Berger offered that the Village would then be paying more fees to Huntington and getting less interest because the Village would have less money in the account. He assumed that going from .5% at Huntington to 5% at Star Ohio will cover the fees, but it will have to be watched monthly. Berger asked if it was a requirement to utilize a bank in Geauga County. The FO explained it had to be a bank in the State.

The balances were discussed in relation to maintaining the \$1,000,000 balance. The FO explained that she had done her bank reconciliation and determined what funds could be transferred to STAR Ohio. She would do this in the next couple of days. Berger noted that if the balance dropped due to a large check that money could be moved back to Huntington from STAR Ohio. The FO concurred. Berger asked if there would be an instance where this system did not work, and the FO advised she would have to watch the bank balances more closely. Galicki noted that a lack of accountability and attention to detail could result in the system not working, much like what occurred in a neighboring community. However, it would appear that through the processes the FO has in place, there is a good handle on it. The FO concurred it would be a matter of her watching the accounts and letting the Finance Committee know if it was necessary to move money around. Berger offered that even if the balances dropped to \$700,000, there would still be money to pay the bills. The FO advised that this is where better communication is needed with the Village departments with the various projects. There should be a better understanding of when the projects are happening. Berger concurred and said that if it were necessary to cut a \$700,000 check, that would be the red flag. He asked the FO how many times she had had to cut a check over \$500,000. She replied that this could occur, for example, with a Road Program or a large project, although oftentimes this gets broken into

smaller incremental checks. However in April there was a \$300,000 check issued for the last road program. Berger acknowledged that better communication was important and there should not be an expectation of the DH to walk in and ask for a large check to be cut tomorrow. The FO added that another example is walking into a Council meeting and asking for a new piece of equipment for \$150,000 that no one knew about, and it wasn't budgeted. This throws everything off. Berger said better planning is needed.

Berger advised that it did not seem worth it to shop for banks since it was State controlled. The committee concurred.

Galicki addressed the salt dome and unbudgeted projects that are in the mix. He was worried that the committee handling the project was behind the power curve in getting it rolled out this year, particularly since it had to be competitively bid. The FO attended the Streets Committee meeting, and the salt dome was discussed. There is an assumption that the Village will be going with the wooden structure, but this is not documented. The Streets committee will be discussing this at the next Council meeting. First, Council must decide and commit to what it will be doing. At the 2023 Tax Budget Hearing, the FO reported the salt dome was failing and the Village would need to do something about it. The 2025 Tax Budget Hearing is coming up, and nothing has been done. Council must move and do something. The Street Commissioner said that according to Blue Streak, it is not necessary to go out to competitive bid, but the Solicitor disagrees according to the Attorney General. The Engineer suggested that in order to move the process faster, instead of going with the three-phase process of design, bid, build, the Village can have CT Consultants come up with specs and then bid/build it. The committee seemed to think it would happen by year end, but the Engineer did not seem so sure that would occur. Galicki acknowledged that this was the source of his concern. The FO clarified that once Council determined the type of building it wants officially, then CT could do the specs. Berger said this needed to happen at the next Council meeting. He added that the hope was that in the not-too-distant future, the Village would know whether it would get the grant. The committee discussed the implications of getting or not getting the grant and seeing how the bids come back in terms of what the Village will really be able to build. The FO provided the Street committee with research information about the recommendation from a state study that the concrete salt structure with the tarp is recommended in terms of stormwater. She concluded that whatever the Village is going to do, a decision needed to be made. Berger thought that the Street Commissioner knew what he wanted and that the Village should go out to bid to determine financial feasibility.

Berger asked whether tax collections were ahead of last year, and the FO advised they were by about \$30,000.

The FO reported that the Village received the tax certification from the County Auditor for the 2.75 Safety levy, which would bring in about \$425,000. The legislation will be on the agenda for Monday night's meeting. Typically, it would go through three readings. This would be on the November ballot. The Village would be going out a year early in case it does not pass. The FO thought the deadline to submit is the end of July.

The FO addressed the status of considering the Reserve Study, which was referred to the Properties Committee. Berger asked the Mayor if the Finance Committee could take over the Reserve Study project. The Mayor said this would not be a problem because Properties Committee is overwhelmed. Berger asked if the FO could reach out to the Reserve Study business to see if they could provide a high-level presentation on Monday in a Special Finance Committee meeting.

The FO addressed the crosswalks, which are not budgeted. Galicki said the Mayor wants the Safety Committee to discuss it later in the day. The FO added that the park restrooms would not be happening this year based on the information provided by Ann Dunning at the last Council meeting. Berger suggested asking the Parks Committee what their expectation is, and then take it out of the budget. The FO explained in taking it out of the budget now before going to the Tax Budget Commission would enable her to have the money to put in the budget for next year when it more realistically might happen.

The FO referred to Berger's previous statement that he had received no response from the departments as far as what they wanted. In a dream perfect world, the administrative staff would like to be in one office, perhaps in a new facility. This is something that could be addressed in a master plan. Berger clarified that the FO was saying that Building and Admin would be consolidated. The FO clarified that the administrative staff discussed that it would make more sense to be in close proximity to cover for each other. Also with a consolidated building, it would cut down on the number of copiers and equipment needed, and there would be better coverage. She reiterated this would be in terms of long-term planning, and Galicki added that this may be where a facilities study may lead. Berger thought he knew what the Streets Department wanted but had not heard from the Police Department.

The FO addressed her upcoming medical leave and coverage, and reminded the committee that this was not the first time she had been out. The FO advised that in 17.5 years, she had not cut an emergency check. Checks are issued on the 15th and last day of the month. The recent matter with the excavation necessitated a purchase order be issued, not a check. In the case of an emergency, if the Department Head knows there is money in their budget, they can formally request a PO, let her know personally of the need, but move forward without it in hand. The FO can then cut and approve a special Then and Now purchase order after the fact. Additionally, although the Administrative Assistant is not qualified to be a Fiscal Officer, she has a good understanding of many policies and procedures, and if there are any issues she can get ahold of the FO. Galicki added if there were an emergency that the Village could also contact the county. Galicki noted that in the event of an issue with the FO, the Village would be hurting, and it is a vulnerability. FO said she has repeated for years there needs to be a succession plan but she didn't have any help. She is very appreciative for having a full-time assistant and it is a personal goal to get a succession plan together. Berger noted that a written succession plan should be created for both Admin and Service Departments. This will be a monthly agenda item for the committee in the next year.

The meeting was adjourned at 10:55.