

Finance Committee Meeting
Thursday, June 13, 2024, 10:00 a.m.

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

Berger called the meeting to order. The Fiscal Officer reviewed the May report that the Village started the month of May with \$3,138,000 and ended the month with \$3,361,000, which was an increase of \$222,000 in the balances. The Village received about \$1,200 in interest by moving the money to STAR Ohio.

Berger asked about the status with the transition to the Geauga County Automatic Data Processing (ADP). The Fiscal Officer described the process, which included not only new equipment but a change from the Google Suite to Microsoft 365. A period of adjustment is to be expected. ADP staff have been responsive to questions. Berger asked if there had been any particularly troublesome issues. The Fiscal Officer said no. The Chief advised the Police Department will begin to transition emails to Microsoft on Monday. He asked how long the Google Suite would be maintained, and the Fiscal Officer explained that the Village pays by the user, and once the transition is complete, the lesser used accounts can be eliminated but the main accounts in each department kept until there is a comfort level with the new system.

The Mayor asked about the status of the display screens in Council chambers for upcoming board meetings, they have not worked for several weeks. FO would let ADP know of the issue.

The Tax Budget was discussed, and the Fiscal Officer explained that she received the required information from the departments. Compiling the Tax Budget primarily involves the big projects. She was able to confirm with the Engineer that the salt structure will be a 2025 project. The Fiscal Officer also spoke with the restroom vendor and to Steve Balaban. From the conversation with the vendor, she found that he would hold the price of the restroom until Council met in July. The Village can order the restroom, but first Council must agree to the model they want. When ordering the restroom, the Village can specify that it does not want it until after January 1st, which is the budget year. The vendor said that was fine. The Fiscal Officer also spoke to Steve Balaban, who said that if the Village elected to order the restroom, this would negate the NatureWorks grant. With the grant, it is not permissible to take any action before finding out if the Village received the grant. The Fiscal Officer questioned Balaban about the grant amount of \$150,000 and asked whether this was per grant or per county. Last year it was only \$16,000 for the county. Balaban said he would investigate this, but assumed it was \$150,000 per grant. Berger stated that the Village cannot wait to find out whether it will receive the grant money. The Fiscal Officer said her point was that if the Village planned to order the restroom, it would not qualify for the grant and so there was no reason to engage Balaban. Berger agreed.

Galicki asked if the Fiscal Officer was able to obtain an accurate dollar figure that included site prep for the restroom, potential fees to store the building until the Village is ready to install, etc. The Fiscal Officer explained that the Village would have to select all the options for the restroom, to include color, texture, where the vents will be located, the locks, etc. She referred to a quote previously received from the company and asked the representative if this included the earthwork and he said no. She recalled that there was previous discussion of Village personnel preparing the ground but added that the company could do it for \$6,500. Berger indicated that this figure could be added to the \$111,751 restroom price, equaling \$118,000. The Fiscal Officer asked for clarification as to whether the Parks Committee wanted electricity run to the restroom, and the Mayor said this was a Properties Committee issue. Galicki explained that it involves determining costs for the budget. Berger asked if there was anything additional to the \$118,000, and Cavanagh reminded the committee that the Service Department wanted a well. Berger recalled this was \$12,000 which would bring the total to \$130,000. Running power to the facility could be about \$10,000, which would increase the project cost to \$140,000. Galicki asked about storage fees in the event the Village was not prepared to install it in January, for example. The Fiscal Officer advised that the site must be prepped, which is part of the agreement. She proposed it would be better to have the vendor do the earthwork, so it is prepared to their specifications. Galicki agreed. The Mayor reiterated that this is a Properties Committee issue and not a Finance Committee issue. Berger and Galicki reminded the Mayor it is a money issue and a number is needed for the budget. From a finance perspective, Berger thought this should be a 2024 budget item, and Galicki agreed. The Fiscal Officer advised that the Village would be paying for the restroom when it is received, which would mean November or December. Berger explained that his concern was that the Village would order it and there was the potential for it to be delivered this year, but the money would not be in the budget. The Fiscal Officer provided a detailed explanation of the ordering process and subsequent requirements of the vendor to produce plans according to Ohio's Building Code. It is not known how long the approval process would take for the plans. The vendor thought if the Village ordered it in July, it might be received in November or December.

Berger concluded that the budget number would be \$140,000 and would be presented to Council on July 8th. He further stated that it would be the responsibility of the Parks and Properties Committee to get all the details to the Fiscal Officer to complete the paperwork. The Fiscal Officer added that with all this information, the Village will need a final number from the vendor and ultimately a contract that will require legislation at the July 8th Council meeting. Additionally, it will be necessary to amend the budget.

Berger asked if the salt dome was in the budget for 2024, and the Fiscal Officer explained that \$60,000 was budgeted for engineering. \$86,000 was included for the restroom, but part of it is being used for the solar panels and the Service Department roof. She has a lot of amending to do. The Mayor asked if the Fiscal Officer knew whether the Village was the recipient of the \$155,000 grant for the salt dome. The Fiscal Officer explained that the verbiage on the Senate

Bill 288 Capital Budget funded projects list for Geauga County was ambiguous, and she had not heard back from the Engineer about it.

The Fiscal Officer explained that for the Tax Budget, she only needed to know about the big projects, but unfortunately the Village currently has a lot of big projects, and things are not getting done. She must estimate where the Village's cash balances will be at the end of the year and then estimate what next year's expenses will be before going to the Tax Budget Commission.

Galicki brought up the crosswalk project. The Fiscal Officer said the budget had been amended for the crosswalk. Regarding the cost, the Chief asked if the Engineer should be engaged to prepare bid specs. The Fiscal Officer relayed that the Engineer did not think there was much in the way of bid specs. It is \$33,000, which falls under the requirement to go out to bid. The Chief would handle contacting the contractors for quotes since the money is coming from his budget.

The Fiscal Officer said that tentatively, the Tax Budget Hearing with the county is August 20th. She will confirm a time once it is received.

The Reserve Study would be \$13,500 and can be done quickly, according to the Fiscal Officer. Galicki verified Council did not approved this expenditure yet, and the Fiscal Officer concurred. Galicki supported having this done. Berger suggested presenting it at the July 8th meeting and getting it started before the Street Commissioner left in September. The Mayor verified Russell had used this service and the Fiscal Officer added that they also had done Bainbridge's. Berger indicated these studies should be done every 3-5 years as they are very instructive.

Berger stated that correspondence was received from the county asking the Village to consider extending the abatement of the tax collection for 2025. He asked what the impact would be. The Fiscal Officer planned to reach out to the county to determine the numbers for the different abatement percentage options. The Mayor thought it was \$122,000 the Village did not collect last year. Berger said the counter point is that Income Tax collections went down county wide, although not in South Russell. Galicki suspected the county was anticipating that the State House would be taking no action to help the taxpayers. The Village initially abated last year for one year hoping the State House would take action, but nothing has been done. Berger offered that the Village is \$50,000 ahead in Income Tax collections over last year. The question is whether to keep the abatement the same or taper it. The Mayor said the Village is running about \$600,000 per year extra. The committee reviewed Income Tax for 2019 to 2023 and agreed to recommend that Council keep the abatement for another year for the same amount.

Berger noted that the Mayor had reserve funds on his list. The Mayor said he was concerned about the \$800,000 that the Village will be getting from the Northeast Ohio Area Coordinating Agency (NOACA) for a path because the Village did not know what it was going to do with this money. Berger asked the Mayor to clarify the information and the Mayor stated that the Village received \$1.2 million from NOACA for Bell Rd. and they threw in an additional \$800,000 for a

path. Berger asked if this was a bike path, and the Mayor said they were flexible and did not really say. He thought the idea was that they would love to see a bike path. Galicki clarified that this would be along Bell Rd., and the Mayor said it could be for any path. The Fiscal Officer thought it was along Bell Rd. since the paperwork indicated Bell Road Bike Path. She further recalled that the Mayor had been surprised the Village got since it did not apply for it. Berger offered that there is a limitation on Bell Rd. because there is a point where the road cannot be widened to accommodate a path. The Mayor agreed and said it would be cost prohibitive. Galicki added that the bike path minimums are 10 feet with a buffer area on either side which would be taking up peoples' yards. He thought it was a non-starter. The Mayor wondered whether the Village should get a reserve fund ready for the \$800,000. The Village could always give it back. The Fiscal Officer cautioned against establishing reserve funds and then deciding they were not needed since it had already done that once. Galicki said there was no functional plan for a path anywhere, so he did not see the logic in putting money in a reserved fund just because the Village had it. Practically speaking, where would the path go and how would it impact the property owners? Is there enough room in the right-of-way in the street? There are many questions without answers right now. Berger said he would hate to give the money back and then find out six months from now that they had a project for it, but agreed with the Fiscal Officer that they should not create a reserve fund without a reasonable expectation. Cavanagh asked if it had to be specifically earmarked for Bell Rd., and the Mayor said no. The Fiscal Officer recalled that it did. Berger asked when it would be happening, and the Fiscal Officer replied 2026. Berger proposed referring the matter to the Properties and Parks Committees for a plan once it is clarified that it is not specific to Bell Rd. Once a plan is developed, a reserve fund can be established. The Fiscal Officer added that there is a lot of time involved with engineering the projects, so they should get started. Berger summarized that first, it should be determined if the funds can only be used for Bell Rd. If this is the case, it is a no go. Galicki concurred.

The committee discussed a replacement for the resident member of the Treasury Investment Board. Berger suggested Chuck Hauser. The Mayor said he would contact him.

The Mayor asked for the dates for the fraud training mentioned in her report. She would look into this and added that it was mandatory for every employee and pertains to the legal responsibilities of reporting fraud.

The Fiscal Officer addressed an item on the Mayor's agenda about food and explained that the cost of food is included with each event. If the food is separated out, the actual cost of the event will not be known. Berger proposed creating a line item for each event. The Mayor wanted to do what was easier instead of nickle and diming people over buying donuts and sandwiches for the police and first responders. If they had a food line item, would that be all that was necessary? The Fiscal Officer explained that with Cops and Kids Fishing, for example, it just goes into the fishing line item. Berger added that it is easier from a budgeting standpoint to do it by event, so that is how it will be done.

The Mayor verified that the Fiscal Officer had sent the Ohio Public Works Commission (OPWC) information to the Russell Township Trustees. In August, he planned to ask them for the \$23,100 for the Hemlock culvert. Berger said that at the last Public Utilities Committee meeting, Porter agreed to make the presentation to Russell Township, and Berger asked the Mayor to coordinate with him. Cavanagh added that regardless of their willingness to share the cost, the project would be going forward. The Fiscal Officer clarified that currently, the Village has only applied for the grant and is waiting to find out the results. Additionally, the project itself has not been approved.

Berger adjourned the meeting at 10:48 a.m.