

**Finance Committee Meeting**  
**November 12, 2024, 10:00 a.m. Village Hall**

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

The committee discussed the 2025 Budget. Berger stated that if the Village will be following the guidelines of the county at 20%, the simple answer is to defer the large equipment purchases out of the Street Department for a year. The Fiscal Officer explained that the Village budgets by fund. This is not one of the funds that would be below the 20%. Capital projects are only funded for projects, so there is no need to worry about the 20% in those funds. This applies to funds like the Street Maintenance, Operating, and Police. The committee discussed end of year balances and projects that would be encumbered to next year which included the park restroom, police garage, and the crosswalk. The Chief relayed that the tornado siren project may be completed this year. It will be approximately \$5,820.

Berger asked whether they would be able to accomplish having the 20% threshold in each fund across the board. The Fiscal Officer did not think this was possible, but said there would be money to carry over from the General Fund. Parks and Recreation typically is funded as needed, and Safety is the fund that is only at about 6%. The Operating Fund is at 19%. She further explained that these percentages include her amendments eliminating the proposed studies. These can be discussed further when the end of year balances are known. The Large Equipment Fund is a reserve fund, and the Village is committed to putting \$100,000 aside for five years. There is one more year for that. Technically, the Service Department could get its equipment, but what would happen if the salt storage structure came in at \$775,000 or \$1 million and the Village did not have it? It is possible to close the reserve fund and use it for the salt structure. Furthermore, the Fiscal Officer had no quotes which would be used just for budgeting. It will still be necessary to go out to bid. Galicki thought the salt structure was the biggest issue, and a valid estimate was needed. Design and size were discussed, and Berger clarified that the question was whether the price differential justified going smaller. Until they have some numbers, they cannot decide on the size. Galicki asked if the design included the exterior wings, and Berger said it did. Galicki asked about the design with regard to placement of the proposed storage containers, and the Fiscal Officer said it was in the design, the plans of which cost the Village \$19,000 from CT Consultants. The Fiscal Officer stated that she was only able to budget \$550,000 for it so if it comes in at \$775,000, the \$400,000 from the Large Equipment reserve fund could possibly be used. Berger asked for clarification between reserve funds and restricted funds. The Fiscal Officer explained that all funds are restricted, and reserve funds are created for very specific purposes that allow the Village to put money aside for large purchases. Currently, there is only \$550,000 in the budget for the salt building and the Service Department wants \$325,000 in Large Equipment. If the salt structure comes in at \$800,000, the \$325,000 could help. Berger said that although delaying the purchase of the large equipment for a year messes up the replacement schedule, the rebuilding of the salt structure will only occur once in their lifetime. In 2026, they can get back on schedule. Galicki concurred. Berger thought that the Village had a reasonable explanation to the County Auditor as to why the Large Equipment reserve fund needed to be closed if it's necessary. The Fiscal Officer further

advised that depending on the year-end balances, it would be possible to amend the budget and put it in later.

The Fiscal Officer verified that the committee agreed with taking the proposed CT studies out of the budget at this time, and Berger said that until they know more, these will remain wish list items. He proposed making a list of wish list items that did not make it into the budget and the dollar totals.

The Fiscal Officer asked the Chief to explain his proposal to delay going forward with the body worn cameras. The Chief explained that to ease the burden of the potential that the Village would not be getting out of the contract with Chagrin Valley Dispatch (CVD) and migrating to the Geauga County Sheriff's Office (GCSO) dispatch, there is \$40,000. For 2025, he budgeted the video system upgrade to move everything to the cloud. He offered to postpone the project to put the \$46,000 back into the General Fund to ease the burden on the budget. In 2026, the \$40,000 will be off the table and they will be back on track. He added that the chances were slim in his opinion that the Village would receive an exception from CVD with being released from the contract early. Galicki hoped that Berger would attend the meeting with the Mayor to plead the Village's case, but also said the meeting would serve as a formal request to disestablish the relationship with CVD. Berger asked about the implications of delaying the upgrade in terms of safety, and the Chief explained that he was able to mitigate the issue with the purchase of a large hard drive. Ultimately, though, the department's current equipment cannot be upgraded for cloud storage. He concluded that the equipment is still functioning, and the safety of police personnel and the community are not an issue. Galicki added that the Safety Committee also discussed this proposal and agreed that there would be a minimal issue with the potential degradation of services. The Committee also appreciated the Chief's efforts to save money. Berger concurred that the upgrade could be deferred until 2026.

The CVD issue was discussed, and the Chief stated that regardless of how the matter is resolved, he recommended pushing forward to get the Police Department a transition date of December 1<sup>st</sup>. They had already transitioned to the GCSO software, and it has been working phenomenally. They are looking forward to getting it into the cars where the problem is most pronounced. There is an officer safety issue when the mobile data terminal is disconnected, to include with traffic stops. He reiterated the financial savings to the Village by making the transition. Berger did not think the Village would have a chance at getting a CVD contract exception especially if they already know the Village is leaving. However, the Village could convey that they could be enticed to stay with a smaller increase. There is no leverage if the Village says it is leaving. He needed 10 days to have the meeting. Galicki agreed and said by deferring it a month would give the Village time to negotiate. Berger clarified that he has asked to attend the meeting with the Mayor. The Chief said he took exception with the timing of the CVD increase that did not allow anyone the opportunity to provide notice. Galicki and Berger concurred. The Chief added that it is not just about the increase. He felt the department would have a better level of service and it would be better for the community with improved response times. Berger agreed. The Chief further expressed concern that since the last Council meeting, there had not been any movement on meeting and having a conversation with CVD. There is a sense of urgency to push forward to get the mayors together for the meeting. The Mayor must make the Village's case to the mayors.

Berger addressed the Reserve Study and the recommendation to put \$274,000 in a reserve fund for replacement costs of all the items they examined. He was unclear of potential overlaps. Is the Village already budgeting for replacing snowplows, for example? The Fiscal Officer advised there is no schedule for snowplows, only the police vehicles. Berger thought it was every five years. His point was that some of the items are already budgeted for replacement, so it will be necessary to review the study to determine what items the Village has not considered that were included in the study that make up the \$274,000, which is not in next year's budget. The Fiscal Officer would look at this. She explained it would take years to understand the study and get it working. Berger said the Properties Committee has been tasked to do this.

The Fiscal Officer addressed the proposed increased contributions to Ohio Police and Fire (OP&F). It is expected to go forward and will go from 19.5% to 24% over the next four years beginning in 2026. Berger estimated the increase would be about \$40,000. Council should be made aware of this because it will be a significant hit. Galicki learned from discussions at the Ohio Municipal League (OML) Conference that there are municipalities that will have to close their police departments and go with the county sheriff jurisdiction due to the increase. The Chief added that he felt confident that if a new levy were needed, it would pass. Berger cautioned that Council must be cognizant that given the increase in property taxes, the residents do not have an endless supply of money, and all expenses are going up.

The committee discussed the Villages Road Programs. Bell Rd. east will be the Road Program next year.

The Fiscal Officer reported on her exploration of the UAN state financial software that will cost approximately \$5,000 per year which includes the computer, printer, and support. She may have to increase this line item slightly to include training. To upgrade the current Fund Balance software would be about \$20,000.

Regarding STAR Ohio, the Fiscal Officer verified the amount to be moved over. Berger reviewed that Council would be asked to approve decreasing the threshold from \$1 million to \$400,000. The Fiscal Officer said this will require her to watch the balances more closely and move money back and forth. She was comfortable with the Treasury Investment Board (TIB) discussion about not looking for long term investments. Knowing what the budget is looking like; she would not want money tied up for five years. STAR Ohio provides daily access to the money. Berger discussed the bond market. In the TIB meeting, he specified that the investment period would be a maximum of two years at 4%.

The meeting was adjourned at 10:57 a.m.