

Finance Committee Meeting Minutes
Friday, July 11, 2025, 9:00 a.m., Village Hall

Present: Chairman Canton, Council member Porter, Mayor Koons, Fiscal Officer Romanowski, Street Commissioner Young

Canton reviewed the agenda, which included the Fire and Ambulance contract, mitigating Road and Bridge collection, Budget Work Session dates, Finance Charge Policy, and Purchase Order process.

Canton began with the Finance Charge Policy. He verified the bills had been paid on time during the 19 years the Fiscal Officer had been with the Village. The Fiscal Officer said yes, and without finance charges. Canton asked if this had changed, and the Fiscal Officer said that within the last six months it had. Canton said it was his understanding that if Department Heads did not turn in bills in a timely manner resulting in a late charge, the Fiscal Officer was responsible to pay the late charge(s) personally. The Fiscal Officer concurred, adding that in March 2025, the State Auditor declared that finance charges, late fees, and interest were all the personal responsibilities of the Fiscal Officer. Canton thought this was unfair, but noted that as a teacher, he would be held responsible for students who got into a fight in his classroom. He suggested that all Department Heads submit their paperwork on time so the Fiscal Officer can pay the bills on time. The Mayor referred to the proposed policy and asked if the policy had been implemented. The Fiscal Officer said that it had been the policy since she started with the Village in that the bills are put in the Department Head's mailbox in Village Hall, and then the Department Heads match the bills with the purchase order (PO) and sign off on the accuracy of the bill, which signals her that it is good to pay. The Mayor had concerns about the policy and wanted to clarify it had not been adopted. The Fiscal Officer explained that this had been an internal policy. Recently Admin had begun to date stamp the bills when they go to the Department Head because Admin is not getting them back in a timely manner. The Mayor asked if any finance charges had been incurred yet. The Fiscal Officer replied they had not, but phone calls have been received questioning late payments. So far, the admin staff has been able to talk vendors out of charging the Village late fees and finance charges. However, they will only do this so many times. Recently, there was also an invoice admin was not receiving after repeated requests, which required contacting the vendor to email the invoice, and ultimately having to have the administrative staff drive to the location to pick it up. Canton clarified that there is not a written policy, but past practice is followed. The Fiscal Officer wanted the Department Heads to understand that if they do not get the bill back to the Fiscal Officer to pay, then they should be responsible for the finance charges, not her if they are the ones holding up the process. The Mayor thought the policy looked fair and asked the Street Commissioner what happened with finance charges with his last employer. The Street Commissioner said the vendors did not charge the cities late fees. The Mayor concluded that there was no sense of urgency until now. The Street Commissioner agreed. Porter did not think the process sounded difficult. The Street Commissioner said he had not been bringing the bills every single day. The Fiscal Officer added

that the bills have sat in his mailbox for a week and a half. The Mayor verified the Chief knows about the policy, and the Fiscal Officer said he did, but there had been no issues with him, his predecessors or past Street Commissioners. It has only become an issue recently, and now that the State has officially said that late fees, etc. are on the Fiscal Officer personally, she did not want to take this on when it was not her fault. If there is a late fee, it should be up to the Department Head to fight it or pay it. The Mayor asked what would happen if the Department Head was gone for a week, and the Fiscal Officer responded that they should know what their bills are ahead of time and bills are paid twice a month. The Street Commissioner said that in the Service Department, every day is different. If he is not there, the employees need to get their supplies to keep the jobs moving. Porter asked if blanket POs could be used for things like that, and the Fiscal Officer concurred. She added that a PO can be cut to a specific vendor for a larger amount to cover the expenses. In the event of an emergency, a then-and-now PO can be cut, but it should not be on a regular basis.

The Mayor asked if the Solicitor wrote the policy, and the Fiscal Officer stated she wrote it and the Solicitor reviewed it, changing small items. The Mayor said this would take the Street Commissioner off the job to the desk. He asked who did the Chief's bills. The Fiscal Officer responded that the Chief does his own and all the previous Street Commissioners did the bills themselves as well. It does not take long to do. The Mayor asked when the Fiscal Officer wanted the policy to take effect, and proposed July 15th. Porter asked if this was putting an unwarranted burden on the Street Department, and the Street Commissioner asked for clarification. Porter specified that he was referring to receiving invoices, date/time stamping them, and getting them over to the Fiscal Officer. The Street Commissioner explained that he will submit a request and then the Fiscal Officer will send him a PO, which he will come up to get and make a copy. Then he takes it and gets the product or has the receipt and attaches it to it. Ultimately, he brings them back to Finance. The Mayor asked if one of the Street Commissioner's guys could handle it. The Fiscal Officer pointed out that the Street Commissioner's job description states that it is the Department Head's responsibility. Porter said certainly but asked if one of the other employees could walk the processed bills over. Porter concluded that the Street Commissioner would rather have them do other work than bringing paperwork to Village Hall.

Canton asked if the Solicitor was going to draft legislation for the policy, and the Fiscal Officer explained that she wanted to get the committee's recommendation before moving forward. Porter noted that it is an internal policy, and was not sure an ordinance was needed. The Fiscal Officer concurred and added that a motion agreeing to the policy would suffice. Porter presented a hypothetical scenario with a late bill and finance charge and asked if the charge would be taken from responsible Department Head's(DH) pay. The Fiscal Officer explained that if a finance charge was incurred, the DH responsible would write a check directly to the vendor so that when the audit occurs, she can show that the Village did not pay the charges.

Canton asked the FO to email the policy to Council to notify them of the addition to the packet.

The Mayor said that since the Street Commissioner has problems with the policy, there will be a meeting at 10:00 am on Tuesday with the Chief and part-time Administrative Assistant to get it squared away. The Fiscal Officer questioned why the part-time Administrative Assistant would attend, and the Mayor said he wants the part-time Administrative Assistant to start helping in the Street Department since she works in every other department. The Fiscal Officer advised that she reached out to the Street Commissioner twice offering to put the part-time Administrative Assistant on his schedule if he would meet with the Fiscal Officer to explain what he needed. That way, the Fiscal Officer could figure out the best way for the part-time Administrative Assistant to do the work. The Mayor said in his opinion, this was what they were going to go with, the Street Commissioner needed help with POs. He wanted the part-time Administrative Assistant there on Tuesday at 10:00 a.m. with the Fiscal Officer, Police Chief, and Street Commissioner to get this settled. Mayor said to the Street Commissioner, "Like it or not, you got the part-time Administrative Assistant, and she can start on the POs." The Fiscal Officer said she cannot start on the POs as she reports to the Fiscal Officer, and she was asking what the problem was. She asked the Street Commissioner twice in writing to meet with her to discuss the matter. She did not understand why this matter could not be discussed Department Head to Department Head, and why he avoided her. She was trying to work as a team. The Mayor said he asked the Fiscal Officer in January to have a meeting with the Chief and Street Commissioner about the PO process, and she did not do it. The Fiscal Officer said she did. The Mayor continued to say that he was calling the meeting in July. The Fiscal Officer interjected that she met with them twice. The Mayor answered that he asked her to get this done in January and it did not happen that he was aware of. By the March deadline, it had not happened. He concluded that there was definitely an issue, and the Fiscal Officer concurred that there definitely was an issue. Canton asked if the policy was not going to be passed at the upcoming Council meeting, and the Mayor said Council could pass it on Monday, but Tuesday they were going to sit down with the Fiscal Officer and the Street Commissioner because there was obviously a communication issue. The Fiscal Officer agreed there was an issue. The Mayor continued to say that the part-time Administrative Assistant was available and worked for every department except the Street Commissioner so she can be put in to help out on this issue.

The Street Commissioner said he had responded to the Fiscal Officer, and the Mayor responded that they should not get into that. They would meet on Tuesday. Porter offered that they just did not want people to pay out of their own pocket for what seems to be a relatively straightforward process.

Canton addressed the Fire and Ambulance contract. The Chagrin Valley Fire Department (CVFD) is asking for a three-year contract with a 12% increase per year. The current inflation rate is 2.4% and the Village just gave them \$75,000 to help modify their building. Canton reviewed the presentation, and understood where they were coming from, but in his opinion, a yearly 12% increase was pretty rich and suggested that the Safety Committee may want to look for another avenue. Canton was told by a Russell Township Trustee, Jim Mueller, that their Fire

Chief had been looking at this and felt he could give the Village a better deal. He did not know if that was the case, but doing some shopping would not hurt. Porter added that this is not the first time this has come up, and the matter was researched some years ago with Russell and Bainbridge Fire Departments. The question came down to response time. While he recognized the importance of response time, he felt that if the Village could get a proposal from Russell, it should be considered. The Fiscal Officer offered that she had heard Russell was not interested because they had responded to similar inquiries by the Village twice before and felt they were being used as a bargaining chip to get CVFD's prices down. Canton thought having a discussion would be prudent and acknowledged that response time was the key.

Canton reiterated that 12% per year was steep in light of current inflation rates. He understood the need to keep good people and that the surrounding departments paid a lot better. It is their responsibility to keep up with that, but periodically and not all at once. Porter thought there had been increases over the last contract, and the Fiscal Officer explained that when she first started with the Village, CVFD would come every three years and the first year they came with increases of 18%. The Council of the time found this unacceptable, which is how the Village persuaded CVFD to do 3 to 4% per year and at the end of the three years, they would end up in the same place, but it would be in small increments. That has how it continued. Canton suggested modifying the budget for next year to ensure the money is there. The Fiscal Officer said she had already done this. Porter asked if the increase was only for personnel, or whether it included equipment. The Mayor and Canton said it was for major operations, which is partly increasing salaries. The Mayor asked the committee if they would consider hiring a consultant to look into the matter. He thought they were amateurs. Canton noted that this would mean more money for a consultant.

Canton again expressed dismay at the increase, and Porter stated that the Village currently pays \$500,000. The Mayor said that currently the Village pays \$1,800 per day and it will increase to \$2,500. Porter addressed response time, and the Street Commissioner said he would look at the distance from the fire station to the furthest point in the Village from that fire station for response time for Russell and Chagrin. He thought it was apples to apples from downtown Chagrin Falls to Ashleigh versus Russell going to Sheerbrook. Canton noted that quality of coverage was paramount, and response time is the most important thing. The Mayor said if the committee did not want to hire a consultant, he suggested they get an expert opinion someplace like the people in the community who work in the fire departments. He suggested talking to Hunting Valley or Bentleyville. They are far away and probably looking at the same thing. Half of Moreland Hills uses CVFD, and the other half uses Orange. There were a lot of variables, and he thought they needed help. He suggested having a citizens committee. Mike Carroll works for Lyndhurst and the guy down the street works for Solon. They could get guidance from those people. Porter said that Carroll was involved last time around, and his opinions were compelling.

The Fiscal Officer stated that this year the Village budgeted \$531,000 for Fire & Ambulance and next year for the Tax Budget, it is \$611,000. Porter concluded that the question is whether

Russell can do it at a similar response time for less than this amount on a three-year contract basis similar to CVFD. He suggested contacting the Trustees to get a hold of the Russell Fire Chief and ask for a proposal to replace CVFD. Response time and price differential were discussed.

Canton asked about the reaction of the other municipalities who attended the CVFD contract meeting, and the Mayor said they were shocked. However, most people still said CVFD was the best for them. The Village, however, has options. Canton had no qualms about the quality of service received from CVFD and recognized it is imperative that firefighters have the best equipment and training and realized that costs money. However, he thought they may have to sharpen their pencil. The Fiscal Officer understood that prices go up but questioned why they waited until July to share that the cost will go up \$70,000 and 12% per year. They should have told the Village ahead of time for planning purposes. The Mayor offered that this is early for them. The Fiscal Officer pointed out that the Tax Budgets are due in July. The Mayor said the next meeting is on August 13th at 6:00 p.m.

Canton asked what a reasonable percentage increase per year would be. Porter proposed a number around the inflation rate like 4 or 5%. The Street Commissioner said 6% at the most. For a three-year contract, Canton proposed 4%, 4%, and 5 or 6%. The Mayor said that this is the same problem the Village faced with Chagrin Valley Dispatch (CVD). The committee discussed the expense of the Village having its own fire department. Canton proposed that the participating municipalities collaborate on a counter proposal. The Mayor said he will deal with the Russell Township Fire Department. Response time was again discussed. The Street Commissioner proposed splitting the services between two fire departments as Moreland Hills does.

The Mayor considered whether a conversation should occur with the Lantern regarding the correlation between the Lantern being understaffed and increased calls to CVFD.

Regarding the topic of mitigating the Road and Bridge levy, the Fiscal Officer explained that this was how Council mitigated the property tax increases for the past two years by decreasing collections on the levy. If Council wishes to do this again, the County Auditor's Office must know by November. She thought it would be best to first have the Budget Work Session before a decision is made. She suggested having the Budget Work Session in mid-September after the Budget Commission hearing to allow time to pass the legislation regarding levy collections. Canton asked the status of the State House and property tax. The Fiscal Officer attended a meeting with the Budget Commission which explained that the group petitioning for the end to property taxes is professional and should be taken seriously. However, they did not obtain enough signatures for it to be on this year's ballot, but they are preparing to get it on next year's. Canton stressed the importance of educating the constituents about the reality of eliminating property taxes. The Fiscal Officer concurred and said this was the message of the Budget Commission, and it was necessary to educate the public about what their tax dollars pay for like

roads, police, etc. The Budget Commission also encouraged Council to notify their representatives and senators that they need to seriously look at this issue.

The Fiscal Officer suggested establishing a Budget Work Session date at the July 14th Council meeting. Porter suggested September 22nd at 5:30 p.m. before the Council meeting.

The Mayor asked if the \$685 received from the opioid settlement went into the budget. The Fiscal Officer replied that it goes into Opioid Fund. The money was earmarked to be used for dealing with opioid issues and the county was supposed to form a committee to develop a plan which included Village involvement. She will have to reach out to the county to determine the status.

Canton addressed Village entrance signs that had been taken down. The Street Commissioner explained that some had been damaged. The Mayor asked the Street Commissioner to bring one in for Council to see. The Fiscal Officer advised that repair of the signs that are damaged by motorists should be paid for by their insurance company.

The Mayor asked about the NOPEC grant money. The Fiscal Officer said the Village can let it accrue for two to three years.

Regarding the Treasury Investment Board, the Mayor said that Ike Tripp wanted an agenda, the materials in advance, and the minutes of the previous meeting. He also wanted the Village's investment policy statement, which the Fiscal Officer said she emailed to all members after the last meeting.

Porter asked for the status on the solar panel tax credit. The Fiscal Officer explained that the Village does not qualify for the grant for 2024 because the project was not in place and in service until 2025. It is necessary to fill out a 990T for 2025, and she is not clear on how it will all work. The 990T must be filed by the 2025 deadline. Porter noted that it may be getting to the point that the efforts outweigh the benefit.

Canton adjourned the meeting at 9:49 a.m.