

Hiram Village
Special Council Meeting
11617 Garfield Road, Hiram, Ohio 44234

January 31, 2023

The following Members of Council were present: Mrs. Greenwood, Mr. Hemphill, Mr. McCreight, Mr. Smith, Mr. Spencer and Mr. Szell. The following were also present: Mayor Lou Bertrand, Solicitor Tom Reitz, Fiscal Officer Susan Skrovan-DeYoung, Police Chief Brian Gregory, Fire Chief Bill Byers, VA James McGee and Assistant VA Steven Schuller.

Others present: None

Mayor Lou Bertrand called the special meeting to order at 7:02 pm. The purpose of this special meeting is to discuss the General Fund expenditures for 2023 and any other business that may properly come before Council.

The Mayor said what Council has been discussing is the police budget, manpower in the police department and 24-hour police coverage which all of us have been beneficiaries of over the past 50+ years. Council President Chris Szell said that he has been working with the department heads, Brian, Susan and Steve, for the last three weeks on the numbers in our general fund trying to understand where we can make cuts. Chris said it is clear that our revenues are stagnant and have been that way while expenses continue to rise. Our General Fund sits at about \$150,000 as its balance. It has been steadily decreasing since 2017 with a lot of revenue streams cut from us. The Local Government Fund (LGF) was decreased some time ago, the safety services contract was cancelled even interest on our own money has dropped 75 percent over what it was just three years ago. We are not bringing in a lot of revenue. Chris said, at the same time, we are not living lavishly in his opinion. The additional costs that we incurred last year out of the General Fund includes \$25,000 for new fire bay doors, which is needed maintenance. \$11,000 for an audit which is mandated. \$12,000 for a heating system, medical insurance premiums of another \$5,000 and additional police costs of \$14,000! That is where we overspent in 2022.

Assistant VA Steve Schuller passed out last Council meeting a spreadsheet showing what was overspent the last several years. Chris said if we do the same thing this year; we are going to be hurting. Chris said there is a proposal to look at cutting the budget and Steve passed around his spreadsheet. Looking at the second column on the right; this is what Chris is looking at proposing to Council we cut. Out of police personal services and fringe, we would cut \$58,600. Why police? Chris said because police accounts for 45% of the General Fund spending. If we are going to make a cut to save the General Fund, it has to come from police in Chris' opinion. We are not going to find another place where we can cut that is significant. For Parks, we would eliminate the budget for 2023. That does not mean we will not mow; it means we will not do special projects in the parks. In the fiscal office; we project a savings of \$20,000 by moving part of the assistant fiscal officer's pay to water and sewer as well as a small part of the fiscal officer's pay to water and sewer for the work that they both do for those departments. The Mayor noted to Council; whether they know or not, the City of Newton Falls has eliminated their police department! He also believes that Windham Village has problems.

Paul Spencer wanted to touch on something for the police department and he did not want anyone to take offense to it. We stop a lot of people; we do not necessarily write a lot of tickets. Month to month for citations, on average it is only about 43% and, in some months, we only do 30%! A lot of municipalities have quotas that their officers have to stop and have to write. It is not a nice thing to have to do but it is how they keep their departments going. Brian said for most villages and small communities, they write about 33% of traffic stops on average. Do we need to write more; yes. Brian would like to get it to 70-80% of violators. Paul said that would make a major difference in cash flow.

Chris Szell said the cuts that we are proposing out of the police department are two-fold; it would help address our General Fund and the fact that we are not finding officers to replace staff when we need them. Chris does not know where else we can cut if we do not cut from police and if we do not make certain cuts, our General Fund is not going to be healthy by the end of this year!

Beth Greenwood said we had a one-time expense for Village Hall of \$25,000 that is non-recurring. She felt it is something that we should not be adding into the \$72,000 average that we have been over.

Steve said the problem is every year we have something that comes up unexpectedly. Beth felt we should be planning for maintenance and repairs. Steve said we should but where would that money come from to set aside. Dave Smith said we used to have a capital fund for this purpose. Beth asked, do we have a capital plan to address these things? Steve said no, funds that were in capital went to cover the general fund in 2019! Paul said it also subsidized increases. Susan asked Paul what he meant by increases? Paul said increases to wages. Susan said not capital! Paul said we took that capital and moved it. Susan said we took that capital out of the capital fund and moved it back into the general fund to boost that fund; not for raises, but for everything! Paul said it was caught up. Paul said we are constantly increasing wages and constantly increasing benefits!

Chief Brian Gregory said he has been fighting this for over a year; no Police Chief wants to reduce his police force; no Village wants to see their police force reduced. However, after what has happened with Newton Falls; if this is what it takes to have some safety forces, then it has to be done. The Mayor said unless you want to raise the taxes. Steve said even if you want to do that, it would be too late by the time you see it. It is something that needs to be done long term. Steve said the first year of the Street Department's infrastructure tax, they only realized \$14,000 on a .25%. Brian said we have talked about a levy over the past two years; there is not enough residents in the Village to support a levy. Dave Smith said it would have to be an income tax. Dave questioned the spreadsheet listing seven things that are coming out of the General Fund but we are only looking at cutting two of those seven items. Dave said we did not actually cut from the Fiscal Office; we just reallocated part of their salaries to water and sewer. Dave said this is just slashing one department's budget! Chief Gregory asked, if we do decide to go with the parking permits and it pays off to a substantial amount; would that mean putting the full-time police back on again or does that just go to the General Fund. Paul said everybody has their hand out! Steve said truly, nobody has their hand out, except for police. Steve said we have cut everything down to bare minimum; they run the street department, operating, on \$16,000 per year! \$6,000 of that goes for salt. Paul asked what revenue is generated from the police department. Brian said between \$25 -30,000 per year. It is more with the Township and the College; this would just be for citation revenue. Chris McCreight asked what these cuts in the police department would translate into. Brian said cutting one full-time officer and 8-hours per day of coverage. He added the full-time officer's hours would be picked up by part-time officers. Paul said, so we would lose one of our officers? Paul asked if they would drop down to part-time? Brian said no, they would be gone altogether. His department would cover 16 hours staggered throughout the day. Paul said just for the record we have three full-time officers. Brian said yes, two full-time officers and himself. It is a hard decision, a hard choice to make! Steve said the revenue from court fines/fees were \$23,000 last year. Brian said he loses patrol hours during the day when he is in his office doing all the facets of administrative work for a police department. If we get parking permits and fines, he is going to be out there to enforce it, at least an hour or two per day because that is revenue into the Village, something we want to pass. Paul asked Brian whether any of his funds feed back into the General Fund, they do, don't they? Brian said they all do. Paul asked then why can't the administrative personnel, Wendelin and Susan, help you? Brian said they can't help; there are so many security clearances and so much training to go through and Brian felt they already have too much on their plates. Susan said her office tries to help Brian whenever they can. Brian added that our lobby door some days opens non-stop all day long with questions or with payments for Wendelin and Susan. He knows they do not have any spare time during the day. Chris McCreight thought office hours should be set for the window. Parking permits could be done by anybody! Wendelin takes care of all the parking tickets and a tow sheet now.

Chris McCreight asked Brian if the contract with Hiram Township gets renewed annually? Brian said no, it just continues. Chris said what Brian listed for his services in the Township as patrol; does he respond to calls as well? Brian said no, they are there for traffic enforcement only. The goal is to make a visual presence in the Township. Any calls are still the Sheriff's departments jurisdiction. Paul asked Brian whether the Township could place a levy on the ballot for police protection. Brian said he has asked about a levy and presented it to them, they do not want to do it. Brian said if a levy was passed right now, he would not have the staffing or personnel to handle their cases! Brian added with this proposal to cut \$58,600 from his budget; it would actually have been a little more, however, he added in some raises for part-time personnel just to keep them. Council discussed the maintenance line item for police vehicles, where those funds come from and what it is used to maintain. Brian also relies on Steve and James to help with maintenance on his vehicles. We do as much, in house, as we are able to do.

Beth Greenwood asked to take a look again at the General Fund sources of revenue. What is the source of interest revenue? Susan said that is interest from our bank on our money. Beth asked why it decreased so significantly and what are the other sources for that interest since the General Fund is down. Susan said all of our funds earn interest; however, not all funds in the UAN can earn interest. The ones that cannot, it goes to the General Fund.

Beth asked what changed? Susan said COVID caused our interest on earnings to reduce to .2%! The Mayor said he called the bank and they did raise our interest rates to .85%. He looked at Farmers Bank and Portage Community Bank because they are local banks and would have given us a better rate. We have not changed banks because of the convenience with Middlefield Bank being right down the street. Rather than having to transport everything into Ravenna. Susan said we make deposits almost every day. Dave asked about doing electronic deposits? Susan said we would have to set up a system to scan the checks for deposit, pay for a machine to scan. Solicitor Reitz said he uses Portage Community Bank for his firm; they send a courier three times a week at no charge! Do not discount them because of the distance, they eliminate that as a cost. Beth said interest rates are certainly not going down right now. Council discussed what revenues comprised the "other" line items in the General Fund in Steve's spreadsheet over the past years.

Paul Spencer passed out this evening information about lodging tax. Basically, we can enact a 3% lodging tax and as long as the County does not have one, we can have the 3% lodging tax from them. It may be something for us to look into; 6% on a \$200.00 room, it would be something. Any air bnb and transients. Paul said it could be as high as 10.5% he believes. Beth likes the idea of a lodging tax because these are non-residents, usually. Council would like Tom Reitz to prepare legislation to come before them.

Chris Szell asked about the old gas station; are there two renters in there now, upstairs and downstairs? And if so, are they allowed downstairs? Paul said we know that there is somebody upstairs and in conversation with Wendelin, the daughter that has the place said there is a washer and dryer downstairs and that they are using the space downstairs. We do not have anything other than hearsay on that! Are we looking at sending a letter; we are considering it. We have got some other properties that are on our radar that we are going to send letters out. The only problem is that we have to rely on Tom to aid us and he requires payment. Chris said that would come out of the General Fund. Paul said we lost a lot of money with the Plum Ridge property. Solicitor Reitz said they both pled no contest and were found guilty to the misdemeanor charges, both we fined \$50.00 by the judge. Mr. Miles is in bankruptcy! The place was foreclosed on and the day before the Sheriff's sale; Mr. Miles declared bankruptcy which stays the proceedings, which in Portage County usually takes between 9 months and a year and a half! We got nothing, truly an exercise in frustration! Tom Reitz explained the legal process. Tom wanted to say that your Zoning Inspector doesn't know the zoning code. He is an excellent builder; he knows the building code pretty well. Tom has to walk him through your zoning code every single time and when he has to do that three, four and five times; he is going to start charging the Village for his time! It is not Tom's job to do the Zoning Inspector's job; write the letters for him and give him the forms and tell him how to do it over and over. Paul said we are barely keeping him; if you can find another person that wants the job for \$3,000 a year. Tom said you will not find someone to do a quality job for you. Steve said Council was told that Wendelin will do it; she is already answering Dominic's questions and does the paperwork for him. She knows the zoning code, ask her again.

Chris Szell said we do not have our permanent appropriations set yet so we as a Council need to provide direction to our Fiscal Officer and our Police Chief if we need to make these cuts. Chief Gregory asked that what we discuss tonight regarding the cuts in the budget, can we keep it under wraps until he can speak with his officers.

A motion to convene into Executive Session at 7:56 pm for the purpose of personnel discussion pursuant to ORC Section 121.22 was made by Mr. Spencer and seconded by Mr. Szell. The result of the voice vote was 6-0 in favor. The Police Chief, Fiscal Officer and Assistant Village Administrator were asked to stay.

A motion to come back into Regular Session at 8:22 pm was made by Mr. Szell and seconded by Mr. Hemphill. The result of the voice vote was 6-0 in favor.

A motion to adjourn the special meeting was made by Mr. Hemphill and seconded by Mrs. Greenwood. The result of the voice vote was 6-0 in favor. The meeting adjourned at 8:22 pm.

These minutes are pending approval by Council.

ATTEST:


Fiscal Officer Susan J. Skrovan-DeYoung


Mayor Lou Bertrand