

Hiram Village Remote Video Conference
Special Council Meeting

11617 Garfield Road, Hiram, Ohio 44234

March 30, 2021

The following Members of Council were present online: Mr. Dempsey, Mr. Hemphill, Mr. Smith, Mr. Spencer and Mr. Szell. The following were also present online: Mayor Lou Bertrand, Fiscal Officer Susan Skrovan, Police Chief Brian Gregory, Fire Chief Bill Byers, Assistant Fire Chief Jason Groselle, Village Administrator James McGee, Assistant VA Steven Schuller and Police Officer Devin Brown.

Others present online: Ed Frato-Sweeney and Crystal Teicher.

The Mayor called the special meeting to order at 6:02 pm. The purpose of this special meeting is to discuss and approve legislation to put in place the Permanent Appropriations to run the Village of Hiram for 2021 and any other business that may properly come before Council.

2021-04: AN ORDINANCE TO PUT IN PLACE PERMANENT APPROPRIATIONS TO RUN THE VILLAGE OF HIRAM DURING THE FISCAL YEAR ENDING DECEMBER 31, 2021 AND DECLARING AN EMERGENCY.

A motion to suspend the rules was made by Mr. Spencer and seconded by Mr. Hemphill. The result of the voice vote was 5-0 in favor. Fiscal Officer Susan Skrovan explained the legislation she emailed to Council on Friday had a couple minor adjustments made to it today. Chris Szell pointed out in his email some fund definition lines that needed to be cleaned up, which Susan has done. The Village Administrator James McGee and his assistant VA Steven Schuller sat down with Susan to go over some of the payroll lines in the General Fund and Water and Sewer for those employees who do perform duties in all three funds. We did re-adjust some of the personnel payroll within these funds. Susan also spoke with Fire Chief Bill Byers today regarding the transfer from the General Fund to the new Special Revenue operating fund for Fire to cover the utilities that will now be paid out of the fire-operating fund. Chief Byers was correct when he said that we had decided to transfer those funds into line items in the fire-operating fund and pay them directly from those line items. The bottom line looks unusually high but that is only because we have several water projects that are slated for this year, which brings up the revenue and appropriations as those funds pass through our accounts. These projects are paid with grants and loans. Paul Spencer asked about the wages being adjusted and wanted to know whose wages. Susan explained that her assistant Wendelin performs many water & sewer operating duties and Susan felt her percentage should be increased in those funds. Assistant Steven Schuller's wage in the General Fund was adjusted more in line with what we have for James McGee. James' pay is split up between general fund, water and sewer. In the past, Steve has been 100% out of the General Fund and that is not in line with what his duties include. Half of his pay was moved out of the General Fund and split between Water & Sewer. Steven said we saved \$34,500 out of the General Fund. Susan did say that she had to increase the employee benefits by \$20,000 in the General Fund to cover the decision of Council on the Solicitor's health benefits, which were not originally in the budget. Steven explained the spreadsheet he provided Council, which has all of this information. The spreadsheet Wendelin sent had a couple of errors in it and should not be used. Paul said he did have concerns when he looked at her spreadsheet because current wages plus benefits totaled \$959,000! Steven and Susan both said wages plus benefits is not far off from that number. Susan explained that is why those numbers were broke down by fund and department so Council could see exactly what comes out of the General Fund for wages. The other departments have their own revenue sources and are self-funded. The total General Fund is for wages, benefits and all other operations from the General Fund. Paul said Police comes out of the General Fund, correct. Susan said yes. More discussion on all the funds. Paul asked about our estimated revenue totals. Susan and Steven provided those figures. Paul was concerned that we are using all of our revenue from the General Fund plus most of our carryover! Susan did state that her revenue estimates were set very conservative so that we do our best not to overspend. She also explained that her appropriations are set to cover what we think we will need for the year; we have never spent all of what was appropriated. Paul was concerned about the high number for wages and that there is not a whole lot of extra money for the Village infrastructure and general expenses that we may need. \$200,000 is not a whole lot of money in excess. Susan continues to work to find ways to build the carryover in the General Fund with not a whole lot more revenue coming into the Village. Paul said it scares him that we are so willing to go into debt with all these projects. Paul said looking forward; he felt Council is going to have to make some hard decisions with the department budgets.

Rob Dempsey asked about the carryover; he thought it increased from 2019 to 2020 and then from 2020 to 2021. Susan said it went down about \$20,000 from 2019 to 2020. From 2020 to 2021, it went up but we did make the transfer from Capital. Susan said we are holding about the same for carryover. Susan added when Paul mentioned our debt; overall, our water and sewer debt has been decreasing and is quite small. The new projects for water; the Street Department worked very hard to get most of the cost of those projects in grants; and very low interest or no interest loans. Moreover, that debt is in water and sewer, which has the funds already in place.

Paul said in the Streets we are still paying off the sidewalks and the road paving. Rob said we have a levy in place to cover those expenses. Susan said the .25% income tax levy for streets goes directly into the Special Revenue Fund for Streets; not the General Fund, and that is where it remains.

Susan and Steven have been working to fix the advances made in the past from the General Fund to get them off the books. Therefore, the General Fund shows transfers out of \$57,000 and then advances back in the same amount, which then skews the final numbers. Susan explained the process to fund these special projects.

The Mayor reminded everyone that when the Village sold the light plant in 1973-74, we had the money in our account. The County Auditor was very upset that we had 1.2 million in our fund and thought it should be spent! In addition, we should be aware of what the neighboring villages pay their Police, Fire and EMS personnel; they are probably higher than we are in payroll. Paul said Mantua-Shalersville is a Fire District. That is a self-governing body. The district is not good for the residents because the taxes are higher, but for the Fire Department, it is good. The Mayor added that Mantua Village sold their water/sewer plant to Portage County. The local residents will not have any input in their water and sewer bills. Paul said that is not us; for us, the water and sewer is self-sustaining. The Mayor also mentioned our Fire/EMS is mostly supported by the Township; we administer the department. Paul said we do not have a lot of money to play with and we need to be conscious of that. Chris Szell said he echoes Paul's feelings but was glad to see the General Fund reduced wherever possible. Income tax revenues actually increased by almost \$76,000 from 2019 to 2020! No great explanation why we saw the increase other than RITA finding more people who were not paying income tax. Steven Schuller explained how hard he and Susan have worked to reduce the appropriations in the General Fund and managed to reduce it by the \$34,500 only to have to turn around and increase expenditures by the \$20,000 necessary for the Solicitor's insurance. It is those kinds of actions that we need to look at closely. Paul said we are treating our Solicitor as a department head. Chief Bill Byers said department heads feel they have an obligation to provide a service for a fixed amount of money and when we see funds going to other things that are not core services, we get concerned. Bill would ask that Council just be mindful of what services are critical for the Village to its residents. Chris Szell felt most of the salaries have not increased that much over time. David Smith felt we need to watch our books carefully; he was glad to see some of the unfunded projects being cleared off the books including the "free" hike & bike trail. Frank Hemphill also felt we needed to watch carefully how we spend. Paul Spencer stated when he started we were in fiscal emergency! The only thing that saved us was the funds from the light plant.

The Mayor asked those in attendance if they had any comments for Council. Ed Frato-Sweeney said the services the Village provides are so crucial; we need to keep funding them. It disheartens him to hear about cuts! We need to maintain the excellent service that we have! Crystal Teicher agreed with Mr. Sweeney.

A motion to approve Ordinance 2021-04 as an emergency was made by Mr. Smith and seconded by Mr. Hemphill. The result of the voice vote was 5-0 in favor.

A motion to adjourn the special meeting was made by Mr. Dempsey and seconded by Mr. Szell. The result of the voice vote was 5-0 in favor. The meeting adjourned at 6:34 pm.

These minutes are pending approval by Council.


Mayor Lou Bertrand

ATTEST:


Fiscal Officer Susan J. Skrovan