

SPECIAL SESSION

March 27, 2023

The Council of the City of Chardon met in Special Session on Monday, March 27, 2023 at 6:30 P.M. in Council Chambers of the Chardon Municipal Center.

Christopher Grau, Mayor & President of Council presiding.

The meeting opened with the pledge of allegiance and roll call.

Members of Council present: Andrew Blackley, Deborah Chuha, Christopher Grau, David Lelko, Kyle Martin, Heather Means, Daniel Meleski.

Members of Council absent: None.

Others present: City Manager Randal Sharpe, Law Director Benjamin Chojnacki, Finance Director Mark Iacofano, Clerk of Council Amy Day, Public Service Director Paul Hornyak, Police Chief Scott Niehus, Park and Recreation Director Adam Rogers, Community Development Administrator Steven Yaney, Deputy HR/Finance Director Heidi Delaney, Clerk of Courts Vicki Dailey, Municipal Court Judge Terri Stupica.

Regarding the FY 2023 Annual Budget, City Manager, Randy Sharpe, provided an overview of the process for preparing and adopting the budget. He noted that the financial considerations of the consolidation of the dispatch center with the sheriff's office is not reflected in the budget because it was not a consideration at the time the budget was prepared. An amended appropriations ordinance will be presented to Council later in 2023 to accommodate the transfers of funds that will be necessary as a result of that decision.

Finance Director, Mark Iacofano, began reviewing the budget document through a Power Point presentation. He reviewed the budgeted ending fund balances in all funds for 2023. Overall \$24,387,272 is budgeted in expenditures and \$21,249,290 in revenue is estimated. He noted that the table includes the ending fund balances of the four main operating funds which each need to maintain a 10% reserve balance. The only exception is a minimum budget reserve threshold of 5% in the General Fund as long as the Operating Reserve remains fully funded, and at this time it is, so General Fund reserve balance is currently 5.8%.

Mr. Iacofano reviewed a chart which showed the General Fund expenditures compared to revenue for the last 10 years, noting that the goal is for the revenue to cover 100% of expenditures. He noted that when revenues do not cover expenditures, the City uses carryover balances to cover the shortfall.

Mr. Iacofano reviewed the revenue estimates for 2023 compared to actual revenue from the last 4 years for all funds.

Mr. Meleski inquired about the reason for the large discrepancy between the beginning and ending fund balances in the 248 Probation Services Fund and the 451 Chardon Square Capital Fund.

Mr. Iacofano stated that the reason for the discrepancy in the beginning and ending balances for the 451 Chardon Square Capital Fund is due to the partial funding of the Courthouse

Project.

Mr. Sharpe stated that the Probation Services Fund can be covered during the review of the Municipal Court budget.

Mayor Grau asked the status of rebuilding the Chardon Square Capital Fund after the \$1 million investment is made for the Courthouse Project.

Mr. Iacofano stated that the City is accumulating the \$1 million in 2023 to be prepared in case \$1 million expenditure is needed in 2023. The funding sources change in 2024 for the additional expenditure, and will come from a variety of other sources.

Mr. Lelko asked for clarification if the second \$1 million for the project is currently sitting in a fund that is going to be transferred.

Mr. Iacofano stated that it is not.

Mr. Sharpe noted that there is a \$2,250,000 balance in the General Operating Reserve Fund that is not planned to be used; however, the money is there if needed.

Mr. Iacofano reviewed projected income tax revenue for 2023 which is budgeted 3.2% higher than 2022, and reviewed the breakdown of the income tax between withholding, individual and net profit taxes.

Mr. Iacofano reviewed the General Fund Revenue budgeted for 2023 which is mostly from income tax revenue (76%).

Deputy HR/Finance Director, Heidi Delaney, reviewed the anticipated 2023 fund expenditures by function and type compared to the prior 4 years.

Mr. Blackley inquired about the increase in expenditures for Streets, Lands and Buildings.

Mrs. Delaney reviewed the expenditures budgeted for 2023 in the Street Department, noting that 2023 represents a significant investment in streets and buildings.

Mrs. Delaney reviewed notable items in the personnel expenditures which included: a potential 3.5% wage increase for bargaining and non-bargaining staff members, slightly increased cost of medical insurance premiums, and adjustments to the part-time and seasonal pay grades in the classification and pay plan.

Mr. Sharpe explained that in an effort to ensure the City's seasonal pay rates are competitive, staff examined wage data from other municipalities. After examination, it was determined that an adjustment was needed for the City's pay scale to remain competitive. Staff's recommendation is to eliminate the first 2 steps for seasonal employees which would increase the starting rate of pay which should help with attracting and maintaining employees.

Mrs. Delaney reviewed notable items in the operating expenditures including: funding of the residential sidewalk and maintenance program, funding of the street maintenance program, contracting with Retail Strategies for economic development planning, rehabbing well #12, and repairing and upgrading the camera system throughout the City.

Mr. Iacofano reviewed capital projects for 2023 totaling \$4,938,403.

Mr. Iacofano reviewed the budgeted 2023 revenues and expenditures as compared to prior years.

Municipal Court Judge, Terri Stupica, spoke to review the court's proposed revenue and expenditures for 2023.

Municipal Court Clerk, Vicki Dailey, reviewed Probation Department expenses, noting that the increase in costs are partially due to an increase in the hours and for the probation secretary.

Police Chief, Scott Niehus, reviewed the notable expenditures in the Police Department 2023 budget.

Mr. Blackley asked about the frequency of discharging of firearms in the line of duty.

Chief Niehus stated that the discharging of firearms in the line of duty is extremely low. Staff is more apt to discharge firearms for the dispatching of an animal.

Ms. Means asked if the Department has realized any savings by having a full staff.

Chief Niehus stated that the Department still has to use part-time help because all of the full-time shifts are unable to be filled with full-time help; however, the number of open shifts has been reduced.

Mrs. Chuha inquired about the number of part-time dispatchers.

Chief Niehus stated that there are 9 part-time positions; however, not all the positions have been filled and there are some part-time dispatchers that do not frequently fill shifts.

Mr. Sharpe reviewed the 2023 Fire and EMS budget.

Public Service Director, Paul Hornyak, reviewed the notable expenditures in the water & sewer operating, street maintenance, cemetery, and lands and buildings 2023 budgets.

Mr. Blackley inquired about the impact of EPA's regulations to the City for removing forever chemicals from municipal water supplies.

Mr. Hornyak stated that he is not aware that those chemicals are anything the City needs to address.

Mr. Meleski asked what the process is for reviewing if the City's prices for fuel are competitive.

Mr. Hornyak stated that fuel prices are checked monthly against local suppliers.

Mr. Lelko inquired about staffing levels in the Police Department and the divisions of Public Service.

Mr. Hornyak stated that there is one vacant position in the water and sewer division and 2 in the street division.

Chief Niehus stated that the Department has 14 full-time officers and 5 part-time officers, noting that full-time staffing is complete, but there are part-time openings.

Community Development Administrator, Steve Yaney, reviewed

notable expenditures in the Planning and Zoning Department budget for 2023.

Recreation Director, Adam Rogers, reviewed the notable expenditures in the Park and Recreation Department budget for 2023.

Mr. Lelko asked if the recreation programs are self-funded besides the pool.

Mr. Rogers stated that with the exception of the pool, the programs are self-funded.

Mayor Grau asked if funds were budgeted for the rehabilitation of the pump house adjacent to the trail.

Mr. Rogers stated that \$16,100 was budgeted for that project.

Mr. Sharpe reviewed the notable expenditures in the 2023 Manager's budget.

Mr. Sharpe reviewed the notable expenditures in the 2023 Legislative budget.

Mr. Sharpe reviewed the notable expenditures in the 2023 General Administration budget.

Mrs. Delaney reviewed the notable expenditures in the 2023 budget for the Finance Department and Water and Sewer Billing.

Law Director, Benjamin Chojnacki, reviewed the notable expenditures in the Legal Department budget for 2023.

Council thanked staff for the preparation of the budget.

Mr. Sharpe concluded the budget presentation by thanking the Finance Department staff for their work preparing the budget, and thanked Council for their support.

ORDINANCE NO. 3234

AN ORDINANCE TO MAKE ANNUAL APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES OF THE CITY OF CHARDON, STATE OF OHIO DURING THE FISCAL YEAR ENDING DECEMBER 31, 2023 AND DECLARING AN EMERGENCY was read for the first time by title only.

Mr. Blackley moved and Mr. Meleski seconded the rules be suspended and the Ordinance be read for the second and third time by title only. Upon roll call vote the motion passed unanimously.

Ordinance No. 3234 was then read for the second and third time by title only.

Mr. Meleski moved and Mrs. Chuha seconded for the adoption of Ordinance No. 3234.

Mr. Iacofano stated that the Ordinance approves the permanent 2023 budget as was just discussed with Council.

Upon roll call vote the motion passed unanimously.

Regarding amendment to the classification and pay plan, Mr. Sharpe stated that the plan reflects a 3.5% wage increase for non-bargaining employees that was discussed earlier in the meeting. If approved, the changes would take effect March 27, 2023.

Ms. Means moved and Mr. Meleski seconded to approve the classification and pay plan as presented by the City Manager.

Upon roll call vote the motion passed unanimously.

ANY OTHER BUSINESS - none.

ADJOURN

Mr. Lelko moved and Mr. Meleski seconded to adjourn. Upon voice vote the motion passed unanimously.

The meeting adjourned at 8:33 PM.

Attest:

CHRISTOPHER GRAU, Mayor
President of Council

AMY DAY
Clerk of Council