

**Minutes of the Special Council Workshop
October 9, 2012**

Mayor Clark called workshop to Order – 5:30 P.M.

Roll Call: Ben Prescott, Bill Zoller, Giles Seith, Linda Schilling, Paul Janson, Marty Hura

Others: Mayor Linda Clark, Clerk-Treasurer Jenny August, Assistant-Clerk Susan Skrovan, Solicitor Michele Stuck, Police Chief Harry Buchert, Village Administrator, Anthony Fiorilli.

Public:

At the last workshop, Council stopped their discussion at Cemetery. The Mayor asked to move back to Parks, 1000-320. In January, the appropriations were \$15,600; as of October 2, it says \$13,160 and it looks like we are reducing it to \$8,000 on wages. If the Mayor is reading it right, as of October 2, we spent \$7,214.07 year to date, which is 54 % of the year to date budget. Jenny said that is just for wages and in 2011 we only used \$6,707.00 so she did not know why \$8,000 would not be enough. Much of the wages this year were because of the bleachers that they normally would not be doing. The Mayor added that Lisa's wages only come out of water and sewer and that we may be able to shift it around a little and split out some of hers into Parks and eventually some other places. She said there are more projects planned for next year that, even though people have indicated supplies would be covered, we would need to supply the labor such as for the backstops. Linda Schilling added that Donald Schilling has plans to do some work in the Park, putting up some gutters and painting the pavilions, his labor would be at no charge but we will need supplies to do it. Jenny asked what Lisa does at the Park, other than ordering supplies. The Mayor said yes. Jenny felt then Park Lodge rental should be taken out of Parks as well; our office handles the contracts, processing payments, taking phone calls and scheduling. Linda Schilling said that it was part of being the Clerk; there are two in your office, and said you cannot use that example. Jenny said it is park related and yes, she can use that example. Linda Schilling thought it was a bad example. The Mayor felt the appropriations should be raised to \$11,000 just to cover our expenses. What we show now for deposit refund is basically a wash because when we get a deposit on the lodge, we give it back to them. Mayor Clark asked Jenny, when she deposits that \$100, does it go back into Parks or just the General Fund. Jenny said it goes into Parks and that is figured into part of our revenue amount, which we used to set the appropriations.

State Highway, Jenny was going to find out what we had left for salt. Mayor Clark said we are obligated for 350 tons of salt, which will be approximately \$15,683.50. Anthony thought that number should be rounded up to \$15,800 because that last load could come out more on the scale. State Highway has \$1,150.50 and Permissive has \$2,240 left for a total of \$3,390.50. We need \$6,200 to complete our obligation in addition to what we already have for salt. The Mayor noticed there were no appropriations for salt in Streets for 2013. Jenny said the salt was blended into operating expenses. Anthony said Jenny was right, we consolidated. Council reviewed the numbers again. Anthony said \$4,510 would be all we need by September 2013, which would leave \$7,650 in operating for Streets. The Mayor said we are still looking for \$2,900 for salt as we work our way through.

Cemetery 2031, Mayor Clark asked Jenny if Contractual Services would cover the trust fund mowing if they approve it next year. Jenny said no, this just covers what we pay Jim Kotkowski for digging graves. If we know the trust fund is going to give us money, we can increase our appropriations the amount we expect to receive next year and then bump up Contractual Services. Michele said we know we have at least the money for 10 mows.

Jenny said we could increase appropriations January 1 by \$3,950 to come from the Trust.

Police Training Grant, Harry said this is money left over from years ago; it can only be spent for training and bullets, which is one of the things we bought with it.

General Bond Obligation is for our building. Jenny said yes. Bill asked how long that bond is for. Jenny said 2036. Giles asked about the possibility of refinancing our bond. Jenny said she spoke with the bank and they told her they do not refinance bonds. She did remember Giles bringing up that the Fire Department recently refinanced their bonds for the fire station. Bill said they saved something like \$182,000 over the life of their bonds. Giles said it came to \$20,000 per year savings to residents. Jenny said she thought we would have to pay ours off first and then refinance with someone else. Council asked Jenny to investigate it further. Marty said it was a little complicated; we had to buy out and then reissue bonds. It is worth looking into.

Police Capital Improvement we have \$32,000 to basically purchase a new vehicle. Harry said the K-9 and the SRO officer would have to be added. Jenny said this is based on what we submitted to the County; we will be changing some line items in January. Jenny said the SRO officer is in the General Fund; we cannot set up a new fund for it however, a new line item is okay under Police Operating to track. Kenny Justus has collected over \$19,000 for the K-9 with the cost of the dog at \$8,500. There are some other items needed including a vehicle, some training items and a bullet proof vest. We will need to appropriate some for the K-9 program.

Capital Reserve has \$90.00 in there and Jenny said we hope to build it up someday with income tax money.

Water Operating 5101, Anthony asked why the hospitalization went up from \$8,500 to \$10,000. Jenny said it is going up even more, Lisa added her husband onto our policy; it will be \$500 to \$600 more per month and is actually split three ways. The Mayor asked if Lisa was bonded. Jenny said yes. Bill felt employees should pay more for spouses and/or families to be on our plan. He added wherever he worked, there was either a 75/25 or an 80/20 plan and then if you put your spouse/family on the plan, there was an additional cost to the employee for that. Jenny said Lisa now has a family plan; for the three of them it will be \$1,207.00 per month. The Mayor said the employees pay 5 percent of that. Bill said that is fine for the employee, but for a spouse or family, we should not be paying all of that; it should be a different charge for anybody. Anthony said we would have to change the handbook for all employees. Mayor Clark asked if they meant say 5 percent for an employee and another percent for family. Linda Schilling thought 10 percent for a family plan. Bill felt it should be whatever it costs to put those additional people on the plan. Bill said in the trucking industry that was how it worked; an employee was covered 80/20 and then any additional people on the policy, the employee picked up that cost. Anthony said with no raises in five years that would be tough. Bill asked what our total insurance for the year. Jenny said at almost \$5,000 per month, it is \$60,000. Jenny knows the State Auditor requires all employees to pay 15 percent of their coverage. Bill felt we should at least follow that policy. Jenny has recommended before that we pay the same. Linda Schilling asked how other members of Council felt. Giles said he would have to look into it further but he knows it is way above 5 percent for most people. Anthony said medical coverage has gone up each year like 5 percent which means you are actually paying more. Jenny said the insurance has gone up at least 10 percent a year, every year. Anthony felt just a 5 percent increase every year for the past three years means we are now paying 15 percent. The Mayor said the employees are still only paying 5 percent of whatever the premium went up. Anthony said wages have not gone up so they are making less each year. Linda Schilling asked Jenny if it would help if Lisa paid 5 percent and her husband paid 10 percent, can we legally do that. Jenny said no, her husband can contribute if he wants but it is not required. Like Anthony said, the employee handbook would have to be changed for all employees. Bill said if you do that, it has to be uniform. Giles added that, unfortunately, the wages go up a little and the medical costs go up a lot. Paul and Marty spoke about their experience as employers and the fact they searched and/or changed medical coverage every year for the best premiums available. Linda Schilling felt maybe we should look into someone else. Jenny said we have done that. Mayor Clark said we have looked using our own agent, but maybe we should go to a different agent. Paul felt you definitely should, you have to go to different agencies. Jenny said this year we did not, last year we did. No one has come close to what Larry has provided us. The problem is we have some high risk employees with pre-existing conditions. Michele added she pays 7.5 percent with Garrettsville, which helps to offset the cost the Village is bearing. The benefit to the employee is worth a great deal; 92.5 percent of the premium that the Village pays.

Mayor Clark asked Jenny if we were still on track with our water debt payment. Jenny said we have been able to make our transfers every month so at this point, we are on track.

Sewer Operating 5201, Linda Clark's concern is that we are appropriating \$48,000 for wages; we are up way more than that this year. Jenny said last year, we spent \$47,000 which is what this number is based on. This year was higher because we are paying for a wastewater operator and Mike May's time to install a new chopper pump, Tom and Daryl still have time charged to sewer. Anthony explained some of the things which caused more time for Mike a couple times this year. He is at about 25 hours a week. Only about two months out of the year his hours will be more, like when we haul sludge and the tanks need to be cleaned. The Mayor said they decided at Service to only take the tanks all the way down every 3 or 5 years. Anthony said it would be every 3 years. The operating budget is set at \$40,000, which includes mowing, generator services, chemicals, EPA tests, office supplies and sludge hauling. The Mayor felt we should be in better shape with the two new chopper pumps, a new blower and the new alum pump. Anthony said we are still going to need two more head works pumps at a cost of about \$10,000 each. Jenny reminded Council that we do have \$15,000 appropriated for capital outlay. The Mayor asked Anthony if Mike May's hours can be cut to the 20 hours a week. Anthony said Mike still needs to perform maintenance at the plant, which is not part of the operator's minimum requirement of 20 hours by EPA and went into more details on the operator of record's responsibilities. Matt, Mike, Lisa and Anthony all have wages charged to sewer, Tom & Daryl on scheduled weekends. There is \$1,500 appropriated for a used truck, since we have one that amount could be moved up to wages.

Franklin Street Water Distribution fund, which is apparently a loan we took out in 2006. Jenny explained this was a project they did six years ago on Franklin Street. Ben explained the project in more detail. Jenny said this runs through 2024 with a payment of \$36,000 per year.

Water Capital Improvement fund is the \$5.00 per water/sewer bill for meters.

Storm Sewer fund has \$2,000 for wages.

Shade Tree fund, Linda Schilling asked what the workshop is for \$140. Jenny said two people go to that one time a year; usually Marty and the Mayor go to it.

Ben asked if, since Council took the \$3,000 from the Solicitor's raise, they could move that to salt. Jenny said no, because her salary comes out of the General Fund, salt is from Streets, Permissive and State Highway. Jenny thought the money Council took for the solicitor's increase was going to the Police Department. Ben said we did not do that yet. The Mayor said we were going to see how much we could come up with. Linda Schilling said what Jenny stated was not said last time; Harry said that money was not going to his department. Ben said we came up with \$3,700. Jenny added we were trying to come up with the money Harry wanted by looking at what we could cut. We took \$200 off Zoning, \$3,000 off Legal Counsel and \$500, all out of General Fund. Anthony asked if part of that could be used at the Village Hall for salt. Jenny said yes, part of that can be charged to that as well as at the parks. The \$3,700 extra can be split between Village Hall and Parks appropriations for salting. Council was in agreement. In Streets, under the used truck line we have \$5,000; we should not have the repairs we had so we could take \$1,000 and put it in for salt. That would solve our salt problem.

Anthony added what we are looking for next year is possibly to change salt providers. Two weeks after he signed the COE contract for the 350 tons from Cargill, we received a letter from Morton Salt offering salt at \$10.00 per ton cheaper. He is confined until September 1. The Mayor mentioned shared services, going together with other municipalities to save costs.

Regarding sludge hauling, the Mayor is hopeful we will get \$10,000 from AKE Lab this year to haul out one more time. Jenny said we have \$29.00 left in sludge hauling for this year. Michele added that any bartering must be within the same fund, it cannot cross from one fund to another. Anthony spoke more about the debt AKE labs owes us and bartering to remove sludge for us in payment.

We are waiting for our Auditor's opinion on this, which we need, unless he refers it to Michele in which case, she can render an opinion. Michele would rather have his opinion.

Mayor Clark wanted to bring up an opportunity that may increase the appropriations for next year. A fracking company has approached the Village looking for 250,000 gallons of bulk water per day. Anthony felt we could comfortably do 80,000 per day now of non-potable water as our wells are varied in their capacity. One well is fully operable, one is down and one is intermittent. Cost of repairs run about \$18,000 each. The Mayor asked how Council felt about having two members from Council form a committee with Anthony to look into this proposal and to possibly look into paying for the repairs in their contract and working it off with the sale of water. Paul asked if the wells are repaired, how much would the capacity increase. Anthony said we could max at 300,000 gallons per day and still provide for our residents. The fracking company is presently driving to Liverpool. Bill thought it was an excellent idea as did Giles. Michele said the two Council members cannot presently be on any committee together. Marty and Ben would be willing to form a committee to work with Anthony and this Company.

Back to the idea of increasing the Parks wages from \$8,000 to \$11,000. Linda Schilling felt it should go up some. Paul and Marty felt it should be left alone and see how it goes next year.

The Mayor did not see the Saint-Gobain Capital Improvement. Jenny thought it was on the transfers out line on page 3. Jenny said we were going to go with \$20,000 but after getting this hit, she would suggest starting with \$10,000. The Mayor asked on the 2013 budget, on the Municipal Income Tax, we had budgeted this year \$442,000. For 2013, we are budgeting \$472,000. Jenny said this is revenues not expenses; she was hoping to get about \$30,000 more this year in employee withholding tax. We are close with one more quarter to collect.

Bill brought up purchasing a new truck, getting some from the Cemetery Trust and financing the balance over 60 months. This would lessen our maintenance costs. Anthony added we would then have a warranty on it. Bill added getting one similar to the one we have now. It is something to consider.

Bill asked to return to the spreadsheet regarding 24/7 coverage and for raises. Ben asked where we were going to get it. Linda Schilling said we need to cut someplace to get it. Harry said it would be cutting a little less than one hour per day of drive time to cover the raises. Jenny asked why raises are "merit" based, not across the board. Harry said that is how it is in our handbook. Jenny said that is not good, it just pits one employee against another. Linda Schilling said no employee should know what the other one is being paid anyway. Jenny said they shouldn't but they all do. Bill said it is public record. Linda Schilling agreed it is public record, but they should not be talking about how much money you make to each other. The Mayor said it is something for Council to think about. Linda Schilling said the cut she suggested at the first workshop could be done after income tax is done, for full-time police coverage.

Harry asked about any carryover. Jenny said it is too early to tell. Harry wondered if we could look at it and if there was any, give raises at that point. Jenny does not see much in carryover in water and sewer this year. The Mayor asked Anthony how we were doing on water and sewer with residents on payment plans. Anthony said we are about \$11,000 in arrears, compared to January 2011 when we were about \$30,000 in the hole. We have come a long way with payments plans and collections. Bill said we also discussed monthly billing, what would it take to set that up. Anthony said new software at a cost of about \$4,000 which includes training.

Adjourned the workshop at 7:10 p.m.

Linda Clark, Mayor

Jenny August, Clerk-Treasurer