

SPECIAL SESSION

March 24, 2020

The Council of the City of Chardon met in Special Session on Tuesday, March 24, 2020 at 6:30 P.M. in Council Chambers of the Chardon Municipal Center.

Daniel Meleski, President of Council presiding.

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

Members of Council present: Andrew Blackley, Deborah Chuha, Chris Grau, Nancy McArthur, Heather Means, Daniel Meleski, Jeffrey Smock.

Members of Council absent: none.

Others Present: City Manager Randal Sharpe, Finance Director Mate Rogonjic, Law Director Benjamin Chojnacki, Clerk of Council Amy Day.

Mr. Sharpe thanked G-TV for recording the Special Session and for coordinating a Boxcast recording of the meeting to allow the public to view the meeting virtually in order to comply with the governor's order for social distancing to minimize the spread of the COVID-19 virus.

Regarding the FY 2020 Annual Budget, Mr. Sharpe noted that the 2020 budget was prepared prior to the COVID-19 virus and it will need to be adjusted since the short-term and long-term effects to the economy and the City's revenue stream are not yet known. Controlling expenditures is something the City can control, so some of the expenditures in the 2020 budget will not happen; however, he and the Finance Director will be monitoring the situation closely and will report back to Council on how they would like to move forward.

Mr. Sharpe provided an overview of the process for preparing and adopting the budget. He stated that in approaching the budget, staff looks for ways to preserve the quality and level of services, pay down outstanding debt, maintain the health, safety and welfare of residents, enhance quality of life and create an environment for successful development.

Mr. Sharpe began reviewing the budget document through a Power Point presentation. He explained that the projected revenue for all funds in the 2020 budget is \$19,704,537. Included in this total is projected General Fund revenue of \$8,359,366. He noted that income tax revenue continues to be the major source of General Fund Revenue and for 2020 is projected at \$6,259,700, a decrease of 2.9% from 2019.

Mr. Sharpe reviewed notable items in the personnel expenditures which included a potential 3.5% wage increase for bargaining and non-bargaining staff members, and increased costs of the City's health insurance plan.

Mr. Sharpe reviewed notable items in the operating expenditures including the continued funding of a residential sidewalk maintenance program, funding of a street maintenance program, support for Chardon Tomorrow Main Street and Chardon Square Retail Business Grant Programs, creating a comprehensive plan for parks and recreation, contracting with Retail Strategies for economic development, increasing the

number of automated water/sewer meter reading equipment, Well #5 & #11 rehabilitation, upgrading camera system City-wide, studying of traffic signal system and using a new provider for information technology services.

Mr. Sharpe reviewed capital projects for 2020 totaling \$4,446,300. He noted that besides local money, grants and loans are included in the total.

Mr. Sharpe reviewed the budgeted 2020 revenues and expenditures as compared to prior years.

Mayor Meleski stated that he would like to go through the 2020 budget document, department by department, to give Council the opportunity to ask questions.

Mrs. McArthur asked if the Police Department is fully staffed.

Mr. Sharpe stated that besides the need for some part-time dispatchers, the police department is fully staffed.

Mr. Blackley inquired about the effect that a significant reduction in revenue would have on pay raises.

Mr. Sharpe stated that pay raises are dependent on 5-year averages and gave possible scenarios of what this would look like.

Mr. Meleski stated that going forward, departments will have to look for ways to reduce expenditures including attendance at conferences.

Mr. Blackley stated that the City needs to consider having money for operations compared to studies.

Discussion occurred regarding park and recreation programs.

Mr. Sharpe stated that all park and recreation programs are in jeopardy at this point because it is unknown when the City will be open.

Mr. Rogonjic reviewed highlights in the Finance Department budget. He reported that an automated timekeeping system is in the budget as well as an online purchasing subscription, Gov Spend, that would assist in obtaining pricing and suppliers for purchases.

Mr. Sharpe noted that because the temporary budget was in place, some items have already been purchased and will not be able to be pulled out of the budget.

Mayor Meleski stated that he would recommend Council approve the budget as submitted with the expectation that going forward, due to the economic uncertainty, that we be very cautious about what we are spending money on and how the income looks.

Mr. Blackley asked if committees would be discussing which projects to remove in 2020.

Mr. Sharpe stated that depending on the project, it may be discussed with committees.

Mr. Smock stated that the General Operating Reserves are for these types of situations.

ORDINANCE NO. 3113

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, 2020, AND DECLARING AN EMERGENCY was read for the first time by title only.

Mr. Smock moved and Mr. Grau 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. 3113 was then read for the second and third time by title only.

Mr. Smock moved and Mrs. McArthur seconded for the adoption of Ordinance No. 3113.

Mayor Meleski reiterated that the revenue stream will have to continue to be monitored while items are identified that will have a minimal impact to the budget.

Members of Council thanked staff for their efforts in preparing the budget.

Upon roll call vote the motion passed unanimously.

Regarding an amendment to Classification and Pay Plan, Mr. Rogonjic stated that the plan reflects a 3.5% wage increase for non-bargaining employees.

Mr. Smock moved and Mr. Grau seconded to adopt the amendment to the classification and pay plan as presented. Upon roll call vote the motion passed unanimously.

EXECUTIVE SESSION

Mrs. McArthur moved and Mr. Meleski seconded to adjourn to Executive Session at 7:53 p.m. for the purpose of consulting with legal council regarding pending or eminent court action. Upon roll call vote the motion passed unanimously.

Discussion occurred regarding pending litigation.

Meeting reconvened at 8:50 p.m.

ANY OTHER BUSINESS

Mr. Sharpe reported that many tenants at Old Village Hall have been impacted by the stay at home order. One tenant has asked the City to consider a rent deferral or forgiveness for the short-term. He recommended Council consider rent deferrals for a few months and allow the Legislative Committee to review the issue in more detail.

Ms. Means stated that Council could defer the rent for now and could decide to do other measures in the future.

Mrs. McArthur asked how much the City collects in rent from tenants from Old Village Hall.

Mr. Rogonjic stated that rental income from Old Village Hall totals approximately \$9,000 per month.

Mr. Smock stated that rent could be deferred for the present time until more information is known.

Mr. Sharpe read a letter from tenant, Rae Greaves, who is requesting Council wave all or a portion of rent, while her business is required to be closed.

Mr. Blackley stated that he did not believe that the City should collect rent from entities that are not able to receive income from the spaces they are renting. He spoke in support of deferring rent until the businesses are permitted to open for business.

Mrs. McArthur spoke in support of deferring rent until June 1.

Mr. Sharpe stated that he believes the deferral should be to all the City's tenants and not just for one.

Mr. Meleski stated that it should be the tenant's option whether they wish to pay or defer their rent payment.

Mrs. McArthur moved and Ms. Means seconded to give the City Manager the discretion on the waiver of rent for each of the City's tenants.

Results of the roll call vote:

Blackley: Yes
Chuha: Yes
Grau: Abstain
Means: Yes
McArthur: Yes
Meleski: Yes
Smock: Yes

Motion passed.

Mr. Sharpe stated that the City has temporarily halted the water shut-off process and asked Council if they desired to waive the 6% late penalties for water and sewer bills. The water and sewer committee can review the process further for customers unable to pay their bill.

Mr. Blackley stated that he concurred not to apply penalties and not turn off customers at this time.

Ms. Means asked if a time frame should be specified.

Mrs. McArthur moved and Mrs. Chuha seconded to waive water and sewer bill penalties for the April 1 and May 1 bills. Upon roll call vote the motion passed unanimously.

Mr. Sharpe and members of Council reported on upcoming events and made some public service announcements.

ADJOURN

Mr. Smock moved and Mrs. McArthur seconded to adjourn. Upon voice vote the motion passed unanimously.

The meeting adjourned at 9:15 P.M.

Attest:

DANIEL MELESKI, Mayor
President of Council

AMY DAY
Clerk of Council

