

# City of Willoughby Hills

## Minutes

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### Council Finance Committee Meeting February 18, 2025 | 6:00 p.m.

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The Council Finance Committee Meeting Council was Called to Order on Thursday, Tuesday, February 19, 2025 at 6:00 p.m. in Council Chambers. **Council President Kline** presided.

#### **Call to Order 7:00 p.m. (0:05)**

#### **Cell Phone Reminder to Turn off Devices**

#### **ROLL CALL (Audio: 0:18)**

**Members:** Councilman Joe Jarmuszkiewicz, Council President Michael Kline, Councilman Dan Knecht, Councilwoman Vicki Miller, Councilwoman Kathleen Sivo, Council Vice President Tanya Taylor Draper, and Councilwoman Julie A. Belich

**Others Invited:** Mayor Christopher Hallum, Law Director Michael Lucas, Finance Director Bruce Scott, Fire Chief Robert Gandee, and Road Superintendent Mark Grubiss

- **Council President Kline:** For the public's benefit, this is a Finance Committee meeting. The Finance Committee consists of myself, Councilwoman Miller, and Councilwoman Belich, and so we do have a quorum for that purpose. This is the second of our two meetings devoted to the 2025 budget. We had our first one a week ago. Tonight, we will be discussing the Fire Department's budget and the Administration's budget. We will follow the same rules that we followed last week. I will ask the department heads to make a brief statement about their plans for the current year, personnel, equipment and any changes in procedures as well as a summary, if they want, of things that happened during 2024. Then, questions and comments will be open first to the Finance Committee members and then to the rest of Council. Then, it will be open to public portion. We will get into our first item which is the Fire Department, and I will ask Chief Gandee if he would like to give us some highlights.

#### **DISCUSSION ITEM (Audio 2:15)**

##### 1) 2025 Proposed Budget (Fire Department) – Ordinance 2024-070

- **Fire Chief Gandee:** Mr. President, members of the Finance Committee, thank you for this opportunity. As always, we appreciate your support for the Fire Department, and we are able to provide a very high level of service based on the funding sources and all the equipment that you provide. I want to thank you for that. 2024 was a little bit of a rough year for us. We did get a new fire engine. It was a little bit more delayed than we anticipated, but we were able to get that into

service finally. With any new equipment that you have, there's always some little road bumps and little adjustments that happen. They're very sophisticated pieces of equipment. Last year, a challenge that we were anticipating to some degree, but we didn't expect to really have fall on our lap so soon, was some extensive engine repairs for our pierce fire engine 1214 so we had roughly \$20,000 of unanticipated costs and repairs including a head gasket repair. Unfortunately, this issue became evident at an incident at one of our apartment complexes. I saw a whole bunch of radiator fluid underneath the engine, so we had to have it towed out. Anyways, that took an extensive hit towards our maintenance end of the budget and along with that, a number of other repairs related to that all came together and took a pretty big hit. A special thanks to Finance Director Scott for helping get us through the year and find some innovative ways that allow us to get through and have the repairs as needed and so forth.

- One of the problems that we are having, and now it's the second year that it has become more and more evident, is the inflationary cost of all of our equipment; everything is going up extensively. Just to give you a benchmark, thankfully we don't have to replace a ladder truck at this point, but a ladder truck about four years ago has gone from \$1.4 million to \$2.3 million. I don't know how communities can do it. We're doing everything we can to take care of ours. We have undercoated a bunch of other things.
- As far as big expenses for this year, we do have our squad. This will be the third year it's in there. Just a brief reminder that we did have one on order as of July of 2023 with anticipation of having it delivered roughly best-case scenario first quarter of 2024. Unfortunately, that did not happen. There were a number of things that had gone on with the ambulance manufacture. We had ordered it; they had canceled it because they had 200 chassis show up unannounced. They didn't anticipate that and nothing that they were able to handle a short order, so they canceled our order. Made an issue about it and we were back in line. As time went on, we found out that they couldn't keep up with the demand.
- Unfortunately, with a dwindling workforce, they found around 25 members that have gone to another manufacturing company. They took a pretty heavy hit. Thankfully, we were able to get in line really quickly with another ambulance provider, which is actually an Ohio ambulance company called Braun. We went to their factory, but they had a cancellation, so they were able to slide us in. Rather than us having to wait another 2-3 years, essentially, we are only waiting a year. Currently, they are on task to have a squad here towards the end of July, so that's a good thing.
- The only other thing to point out as far as capital is that we did receive a grant from the Assistance of Firefighter's grant to the tune of \$100,000 for a sprinkler system. Typically, the Assistance to Firefighter's Grant program prioritizes different elements that they evaluate and determine to be important. Typically, sprinkler systems inside the Fire Station hasn't been a very high priority, but I suspect that due to the outrageous cost of fire equipment and the long wait times, the feds have realized it's kind of an important thing to protect our assets, so that's why it got moved up. Unfortunately, they don't necessarily give you a lot of time with these grants to determine what the priority is and turnaround to able to put something together. Our grant writer had to shoot from the hip to get some preliminary estimates of what it was going to cost. Unfortunately, when we started to get a little more detail back, it turned out that it was substantially lower than what we anticipated. That's why there is a bigger chunk out of the capital budget that would be able to accommodate that. Again, with the inflationary costs we're seeing these prices are extremely high, but we are trying to forecast the best way possible and make sure we take that opportunity, never turning any kind of money away from a grant, especially a grant to the tune of \$100,000. That's why you see that is in

the grant. We did actually hold off on the project that we initially allocated money for last year which was a drain repair. It was more so an effort for secondary projects down the road of some coding and so forth of our apparatus floors. We actually decided to cancel that project and take that money to be able to put it towards our capital project.

- Other than that, we still have a lot of the same problems trying to keep people. We are kind of a revolving door like a lot of other combination part-time and full-time departments. Currently, we have 12 firefighters plus administrative assistants (Stephanie and myself) so, we're constantly trying to keep part-time members of our department, but this is not a unique problem to us. As I have said in the past, it is a common problem throughout the country at this point. The good thing is, I think the grand total of the number of part-time firefighters we hired last year was 13 and that is kind of an unheard of number. I hear from a lot of chiefs who ask, "how are you able hire this many people?" A lot of it is a testament to our career firefighters and other existing part-time members that treat the paramedic students who come from Auburn, Lakeland, and Tri-C very well. They are made to feel very comfortable, and they try to teach them a lot what they know through their experience. This ends up being a recruiting tool for us. We are able to recruit a lot of people, and they want to be here because they feel comfortable. They know that they're going to learn something, and they know they're going to get involved. We are able to hire a lot of people and get a lot of applicants, but they come in and we train them very well and they get grabbed by other Fire Departments that are looking for career members. Therefore, we lose them. Some of them are still staying here, but this is probably going to be another challenging year for overtime as we see dwindling numbers and so forth related to that. That is kind of the snapshot of the Fire Department budget, and I am open for any questions.
- **Council President Kline:** I will ask Councilwoman Miller if she has any questions for Chief Gandee.
- **Councilwoman Miller:** I want to thank you for all your time and effort you put in over the last 2-3 weeks now with the emergency response for the Milan Drive area because of the flooding. Keeping in daylight contact with people down there, I have heard appreciation from people from down there with what you have been doing with all the media that has had to be down there, and things like that. With that being said, I was just wondering if there was anything the City was lacking? That might be something good to look for in the budget in coming years.
- **Fire Chief Gandee:** The biggest challenge is our personnel as far as apparatus goes. After the squad, we should be in pretty good shape. Our next rescue squad won't be for another five years, but the reality is, with the lead time it takes to order a squad, the strange thing is we are going to have to start looking at this in 2 years. The even crazier thing is to look at a fire engine in about 6 years. The good thing is, we have taken a lot of steps to really protect our investment for the citizens of this community. Everything has been undercoated. In fact, our newest squad that we have thus far, which is going to be 4 years old, essentially has been undercoated again. We have taken a lot of steps to combat the issue of corrosion which ends up being one of the most difficult things that we have for our rolling stock. We have taken a lot of steps to try to make sure that we protect that. The biggest thing that we have is our personnel. Again, it is constantly a challenge trying to find people and it's important for a community to have strong members, and especially career members because these are the people that you rely on. Each community has its own DNA and its own very specific aspects of challenge and little idiosyncrasies as far as how to get there. A career firefighter is probably one of the best people you can have to help protect your community because they understand a lot of the little idiosyncrasies. If you talk to a lot of experienced career firefighters, over time, they can share a lot of those little elements that make the Fire Department that much better because they know those little things. It may seem like a small thing, but small things lead into big things. Our projection

would be to add three more career firefighters and even a career fire inspector. This would pretty much optimally where we would want to be. Obviously, we have to be accountable to the budget and understand that adding career firefighters is a very expensive venue and we certainly understand that. In the past I have taken the stance that even if we were to add one career firefighter that would help. In the past I thought that it wouldn't help a whole lot because the shifts are kind of off kilter. I have changed my mind from that. I think that even if we were to add one career firefighter at some point, that would help. The solution would be that if we were to take that career firefighter, we could essentially split them up between all the shifts. So, at least we try to keep it fair for each of the shifts a third of the year. We could potentially do that. That would give us the advantage too. When we have firefighters off on maternity/paternity leave or extended leave for some kind of illness or injury, that would allow us to move that career firefighter in that position. That would be one of things I would always request is some career firefighters. In the same token, I understand that the budget is the budget and we are just a small piece in the pie just like every department. We are trying to work within the confines of the budget.

- **Councilwoman Miller:** Thank you Chief. I think that one question rolled into the other three questions I had; you covered them all. Thank you.
- **Council President Kline:** I will ask the rest of Council if they have any other questions or comments.
- **Councilman Jarmuszkiewicz:** How many part-time firefighters do we have on staff right now?
- **Fire Chief Gandee:** The City Ordinance allows us to have up to 40, but we are floating around 32 right now. It is kind of a moving target based on people who come and go. We have had 4 firefighters that pulled a significant amount of time and unfortunately, we have lost them to other career departments. That is why this year will be a little more challenging for us. We would love to see a firefighter paramedic. Unfortunately, Ohio is seeing something that we have not seen since the 1980's—a dwindling firefighter paramedic staff. If you look at some of the paramedic classes that are out there, you are going to find that they are very full. They've got a lot of people but about half of those people in paramedic classes today don't have any desire to get into the fire service. They are using it as a steppingstone for something else, perhaps a physician's assistant or something along those lines in a hospital setting. The other challenges we have as well is that a paramedic in the emergency room in some organizations can make 50 dollars an hour, whereas our paramedics are making the low 20s. So, those are a number of different challenges and our Finance Director and I have been looking at a lot of different possible solutions that try to help offset the recruiting by other neighboring fire departments that pay a little bit better. So that has been some of the challenges. Probably, the part-time firefighter paramedic is the most difficult thing to try to obtain.
- **Councilman Jarmuszkiewicz:** Out of 30-40 firefighters, how many round a shift at any time?
- **Fire Chief Gandee:** It varies. They supplement when we have scheduled career members off. So per contract, we can have two career firefighters off out of four there. So, that accounts for their vacation and Kelly days. A Kelly day is engineered to essentially lower their hourly work week. Firefighters work a week of 48 hours. So, there is some time that's off. If there is an illness, then, we still rely on some of those part-time firefighters to fill in. The biggest challenges, since most of our EMTs, some of which are in paramedic school, are trying to take the test (a national registry test) and it is not an easy test to take. Even when I became a paramedic it was not an easy test to take. We have a number of part time fire fighters that are in paramedic school or graduated and are trying to pass the test and have taken it once or twice and it's nerve-racking for them. You only get a certain number of tries

then you have to go back and go through some retraining. It is a nerve-racking thing and an expensive process. Typically, paramedic programs are around 9 months but now they are at least a year and they are having to go through anatomy and physiology. The cost for a paramedic program ranges somewhere between \$10,000 and \$13,000. It is more of a difficulty for a part-time firefighter. Some fire departments are hiring EMTs with the hope that they will eventually get their paramedics. This is a very unique time for the fire service.

- **Councilman Jarmuszkiewicz:** What would be the cost to add one or move 2 extra firefighters to a full-time position?
- **Fire Chief Gande:** It varies but right now, we require a regional test. Right now, one of the things we are trying to do is migrate towards a lateral transfer type setting which a lot of other fire departments through Northeastern Ohio allow for. It gives you a better pick of the candidates and would give us even a little bit of a better pick for some of our part-time members that have taken the sacrifice and are working for our department and so forth. With the Civil service requirements and so forth, there has to be some degree of competitive evaluation or examination that we can ultimately hire them. The rough cost would be around \$130,000 for our career firefighter. This includes pension and health care.
- **Councilman Jarmuszkiewicz:** You have to have a part-time firefighter anyways. If you add a full-time firefighter what is the difference between the hourly rates of part-time and full-time?
- **Fire Chief Gande:** There is definitely a cost savings by having part-time firefighters, but the problem is, there is such a difficulty to get them in, through the vetting process, and trained where they feel comfortable and competent to be on their own. There is a lot of time, money, and equipment. We are looking at over 6 thousand dollars to outfit them. With firefighter gear, you can trade back and forth. But you have to have somebody who is the right size. We have had to special order three sets of gear. We have some pretty big individuals, definitely the kind of people you want to have if you are in trouble. They can get you out of a house pretty quickly or bust down the door very easily without tools in some cases. There is a substantial difference as far as cost, but again, it goes back to that situation where we don't have the consistency. We don't have the Ohio Public Employee's retirement system for our part-time firefighters. It was eliminated in 1992. That has been one of our biggest challenges that we have had. We don't have long-term part-time fire fighters. It ends up being a steppingstone for them to get full-time and then sometimes they come back. The good news is that we have gotten a number of firefighters that have been hired elsewhere recently come back because they want to come back here to their grassroots. We have taken good care of them and helped them a lot and so some return. But that too only goes so far.
- **Councilman Jarmuszkiewicz:** How many firefighters work a shift and how are the shifts staggered?
- **Fire Chief Gande:** We have three shifts, A, B, and C shifts. I would say probably 95% of the nation that are in volunteer usually run three shifts. There are only a handful of departments out there that actually have four shifts, and that is a true 40-hour work week. They may work one shift and have 72 hours off. Our firefighters work 24 hours on and have 48 hours off. Typically, our minimum staffing is five. That is one of the things as a City that we have committed to, having more people on duty. The idea is that you want to have more firefighters, EMTs, and paramedics on whenever there is a problem. Even a little bit ago, before this meeting, we had four calls happening at the same time. There is not one community that can ever prepare and have enough people to handle all the emergencies that can potentially happen. We have a very strong reliance on our neighboring communities, but the problem is when everyone else is getting busier. One of the fears I had was

when one of the neighboring communities that we had requested a squad from were at the same fire on the West End of our County assisting them. My concern is whether or not they will be able to provide us a squad because they are already being stretched thin. Thankfully, they were but there are times that they don't Typically, our minimum is to have 5-6. Sometimes we have 7-8 because of trainees that are on duty. Sometimes, we are very lucky to have a lot of people. They may not know all the idiosyncrasies of the apparatus, but one of the things we really tried to do is increase our level of service, especially on EMS runs. A lot of times, you used to see an ambulance and a Chase car going so that way we would have at least three people going to any EMS calls or any serious calls. We would call for an engine too for cardiac arrest call or something along those lines. But the nice thing is a lot of times now because of all the people that we do have in training, we are able to send the squad out with three people. We have two in Willoughby Hills that I would classify as regular vetted firefighters who are familiar and have been with our department for a while. We have another member who is in training. The people we are hiring right now are members that have the state certification either EMT or paramedic or they are state certified firefighters. They have the state certification and all the legal abilities to function in that capacity, but they may not know the City. What better opportunity than to get them on the squad and get them familiar with our equipment? To answer your question, five is the absolute minimum but typically we try to be at six but sometimes we have seven because of training and that ends up being a bonus for the community.

- **Councilman Jarmuszkiwicz:** With 48 hours on and 24 hours off, they don't have the same days off each week.
- **Fire Chief Gande:** It rotates. Without getting into the weeds too much, with Kelly day cycles, they have a certain range that they have to take a Kelly day to keep their work week down. But again, contractually, there are times that we don't even have part-timers available. Then we have full-timers come in. When that happens, that means that you are at a minimum of five. You don't have enough people to meet that minimum complement of staffing. That's when we're having to put career firefighters on. Younger career firefighters don't have the experience, and they shouldn't really be in charge of the City as an acting lieutenant. We may bring somebody in in that instance too. Within their first year, you shouldn't have a brand-new firefighter in charge of the City making decisions as far as resources are concerned.
- **Council Vice President Taylor Draper:** Just to clarify, you said we are losing EMTs and paramedics to other cities because they offer them full time positions? Is it for other incentives or is it because they offer full-time, and we can't do that?
- **Fire Chief Gande:** It's both. You will see a lot of this in any organization that has part-time. I myself worked part-time in three different fire departments and then finally got hired full-time by one of them and had to then pull back in hours. You now have the commitment to working full-time hours in an organization. That's where we are seeing a lot of our four heavy hitters as far as hours. They all got hired by multiple different communities around us. The good news is, they want to come back and work part-time. I did recently hire two members, but then a another department is going to come and offer them more money. They ask me if they will be getting more pay. We are trying to find more incentives. These kids understand the value of money and how expensive everything is too. That is another aspect that is hurting us too. Everything is so expensive and they are smart people who are looking to see where they can make the most money for the job. They love working here and love the experience, but our pay has historically been lower. Finance Director Scott and I have talked about this and really where we want to see an incentive is with our part-time paramedics. When I first came here in 2019, we ended up giving our paramedics a \$1.50 raise and I think we've got some good plans to look at moving forward that will absolutely help give them that

advantage. That is really where our demand is. We need part-time paramedics and we would ultimately push for stronger raises for our part-time paramedics. I have to give credit to the retired Chief of the Willoughby Fire Department because when I used to work for him, he always said you have to have that carrot to dangle in front of them. We want paramedics and that is what we need as an organization. We have a lot of EMTs but it is an extensive commitment to go through one year of paramedics and then all the vetting and the clinicals. Then, ultimately, they have to pass the National Registry.

- **Council Vice President Taylor Draper:** What would be more advantageous to your group, a full-time firefighter or a full-time EMT?
  
- **Fire Chief Gandee:** My first priority would be to have three career firefighters. I have told our career firefighters that there is a lot that goes on in the department. We used to have a Career Fire Chief, a Career Assistant Chief, and a part-time Fire Inspector. Then, we had career members. There is a lot to manage and there is a lot even on my end of the administrative duty. We have limited administrative staff to accomplish a lot of things. If we can add three more career firefighters, that is probably the most important, and that is my first priority. Yes, it's a little more work for myself, but looking at what is best for the community, it is firefighters. I can respond to emergencies when somebody calls 911 and having more career firefighters that are familiar with the community and have more of that time, effort, and understanding of all those idiosyncrasies is ultimately what is most advantageous to the community.
  
- **Council Vice President Taylor Draper:** At the least, we are talking new hires. How much would that be a year?
  
- **Fire Chief Gandee:** If we were to add 3 new career firefighters, that would be around \$390,000 roughly. That is based on time for looking at \$130,000 per firefighter. That is a pretty substantial amount. Obviously, there is a limited amount of hours that they cover and part-time covers a lot of hours too. Again, looking at some of that consistency and following through, our guys get tired too. They do a lot of training. The argument can be that you always have to have a good basic foundation, which they do, but a lot of times, we are constantly retraining because we are a revolving door. It's almost like a recruiting class constantly and it is hard to move on to some of the advanced things too because we are constantly training new part-timers.
  
- **Finance Director Scott:** To follow up on your question, Council Vice President, we did a study earlier this year about adding three additional career firefighters. There is a balance between that and the amount of part-time hours that are needed. If you look at page E43 of the budget, you'll see 29,800 hours. That is how many hours are needed to supplement the staffing level of six that the Chief talked about. By adding three new career firefighters, you can reduce those hours somewhat. I believe it went down to about 21,000 hours. The net difference in price was in the \$270,000 range to add those three firefighters.
  
- **Council President Kline:** As a former accountant, I like to look at numbers. I like to look at the actual year-to-year and the budget and the combination of the two. I always feel more comfortable when the numbers seem to flow. They certainly do with the Fire Department. There are not wide swings that cannot easily be explained. So that always gives me a great deal more comfort. I want to thank Chief Gandee for coming in this evening and spending his time with us.

- **Fire Chief Gandee:** Thank you very much. I would like to extend a sincere thanks to Finance Director Bruce Scott. He works very hard for a lot of different aspects of the City and we appreciate all the efforts he does for the Fire Department for making it work and finding some innovative ways to make it happen. Thank you to him and thank you to the rest of Council.

### **PUBLIC PORTION (Audio 32:45)**

**An opportunity for the public to address Council concerning anything pertaining to tonight's agenda.**

Public Portion #1 opened at 6:33 p.m.

- No one spoke.

Public Portion #1 closed at 6:33 p.m.

### **DISCUSSION ITEM (Audio 32:35)**

2) 2025 Proposed Budget (Administration) – Ordinance 2024-070

- **Finance Director Scott:** The Mayor sends his regrets about attending this meeting due to scheduling conflicts, but he wanted me to highlight a number of items that are priorities going forward. Some of these items do not have an impact on the budgets discussed this evening, but we will see these appear in future budgets over the course of the next several years. The first one he wanted to stress was the sidewalk project at the Shoppes of Willoughby Hills which is currently in the 2025 budget as well as the proposed additional sidewalks along Route 91. In the budget this year, we have a grant of \$192,500 for the sidewalks which were encumbered in the 2024 budget for the potential sidewalks on 91.
- The second project or priority were the upgrades to the police department and the service garage. We spoke about that a little bit at the last meeting. Hopefully, these will be covered by additional revenues brought in through the photo enforcement program over the next few years. There is also a feasibility study being conducted on how to upgrade or replace the existing facilities.
- Third, a multi-use path that will connect to the Metro Parks to our South and West end to provide better access and opportunity. There's a grant application for this project that is being submitted shortly.
- Fourth, a discussion with our representatives at the state level to request state funding for the projects I have already mentioned.
- Five, a cell tower. Everyone knows the urgency with the cell reception issues in certain parts of the City. The Mayor has had the preliminary discussion with another property owner who has been receptive to providing land for a tower and he hopes to have more concrete news in the future. Those are the priorities that we are focusing on. As far as this year's budget is concerned, there are not many major changes but definite cost increases. Willoughby Court, for instance, is anticipating seeing significant increases in their expenses and we get allocated a cost based on the number of cases that we have over there. We are anticipating as much as a \$75,000 increase over the 2024 actual expense. Insurance costs are projected to be 10% higher, electricity 20%, and gas 15%. We were fortunate we had some very good competitive long-term utility contracts and unfortunately, those recently expired. We are already seeing the increased rates. Additional costs in the 2025 are the

biannual audit expenses wage and benefit increases, and the workman's premiums. Revenue has seen property taxes increase 25%. Income tax is projected to be 7% lower than last year. The interest revenue is also projected to be lower. I was trying to offset some of that by moving more money to Star Ohio for a better return. That is all I have at this time, and I am open to questions.

- **Councilwoman Miller:** My question pertains to the Community Center, and any improvements there and what is budgeted. Also are there any costs related to the Senior Room?
- **Finance Director Scott:** So, the Senior Room improvements should be under the Capital. We had a large number last year that we moved, so we've got an unspecified of \$15,000 and we have \$60,000 that rolled over into this year. So, \$75,000 total.
- **Councilwoman Miller:** Do you know what types of things are looked at to be done with that?
- **Finance Director Scott:** I have heard new floors, ceiling replacements, and possibly Wi-Fi upgrades through a different expense line. They are also talking about building an exercise facility with a separate room. Those are all the things I have heard of.
- **Councilwoman Miller:** Do we have anything planned for the general common area for City Hall and the Community Center?
- **Finance Director Scott:** We don't have anything for City Hall. Hopefully Wi-Fi and network services but otherwise, we there is nothing in that budget for that.
- **Councilman Jarmuszkiwicz:** When it comes to building maintenance and improvements, the back deck at the Community Center is falling apart. That is a large expense. Where and how would that get into the budget?
- **Finance Director Scott:** We looked at that as one of the projects for this year and I think it came in six figures to replace that. A lot of funding through the Community Center is done through the General Fund. With the decrease in income tax revenue, which is our largest source of General Fund revenue, there were some challenges with this budget. Things that we would have liked to do did not get done because we didn't have the funds with it. When you look at the General Fund summary, we are showing a slight surplus which is what we want. To pull \$70,000-\$80,000 in for deck repair, it is not in the cards for this year's budget.
- **Councilman Jarmuszkiwicz:** Are there grants or stuff available for building improvements?
- **Finance Director Scott:** There are grants available for all kinds of programs. I know that Chris is talking to State reps in hopes of getting some additional State funding. I would think that would certainly be something we could talk to them about. Chris has a better handle on that than I do.
- **Councilman Jarmuszkiwicz:** Do you have any idea what the NOPEC grants will be directed towards this year.
- **Finance Director Scott:** Right now, there are two NOPEC grants. I sent a note to Council this afternoon. One is \$1,500 which is given every year as a sponsorship payment that typically goes to Music Fest. Then, they have an Energized Grant and it is around \$25,000. Mark said we have used \$32,000 of that last year when we did the HVAC upgrades to the Police Station. You will see new thermostats around the building. We used the money from 2022, 2023, and 2024 for that project. We

still have \$16,000 left of the 2024 grant and then all of the 2025 \$25,000 dollar grant. This carries over for several years so we would still have a couple years to use that.

- **Councilman Jarmuszkiewicz:** Has there been any discussion on what this can be applied to?
- **Finance Director Scott:** It is typically cost reduction from an energy standpoint. Storm doors, storm windows, lighting, and efficiency is the kind of stuff I am referring to. HVAC controls fit in, but, in theory, with better controls, you are going to save money because it is going to regulate when you're not here.
- **Council Vice President Taylor Draper:** I know there has been a discussion to provide a better audio/PA system at the Community Center. Has there been any thought to roll any of these funds or grants into proving that?
- **Finance Director Scott:** That is one of the improvements that they want to see over there. I have not seen any quotes for that. Whether or not it can be covered in the amount of money that has already been allocated is not something I can answer without seeing the quotes. I know that has been talked about.
- **Council Vice President Taylor Draper:** I know at one point Mark had been doing a lot of upgrades and work around City Hall. I also know that we had wished we could have a property manager to keep things up. Mark and his crew can only do so much, but it should not amount to things not being done and not being taken care of around City Hall and the Community Center. Is there anything in the budget that would provide contracting services to repair things around here? Perhaps we can hire a lawn service come and take care of the property and keep the trees and bushes in front of City Hall cut.
- **Finance Director Scott:** When we first put the budget together, one of the things that was requested to put in was a property management position like you are describing; someone who would report to Mark. Unfortunately, when we put the revenues against those expenses, we had to pull that position out. What I am finding out about the quotes that I mentioned is that they are so much more expensive than Mark and his crew doing it in-house. This is the issue; they don't have the time to do it. When they do it, they do a great job, and they do it significantly cheaper. We are at cross-roads there.
- **Council Vice President Taylor Draper:** I know and understand the challenges and I appreciate that. We have to do something and find a way to make sure that our grounds are being taken care of because we can't go pointing our finger at residents' homes and inspecting their property when City Hall doesn't hold the match. Is there anything we can do to keep the property fixed up and repair things?
- **Finance Director Scott:** I can certainly talk to Mark and see what he thinks. The last iteration of the Surplus on the General Fund has about \$15,000. We might be able to put some of that towards this.
- **Council Vice President Taylor Draper:** A lot of things I am talking about is a one-time fix. It is not continuous. Once it is repaired it is finished. During the summer, we should make things look better than it does. That is our concern as the Beautification Committee.
- **Finance Director Scott:** Based on the current budget, there is a \$4,500 surplus. It's not like we have a lot of room unfortunately. If revenues come in higher than we are expecting, which I certainly hope they do, that is something we could look into as we get into the spring and summer months. We can

check and see where we are with income tax collections by then. Maybe that will give us a little more wiggle room.

- **Council Vice President Taylor Draper:** That is unfortunate, but I hear what you are saying. Thank you.
- **Councilwoman Sivo:** Thank you for the report Bruce. You mentioned a \$75,000 increase with Willoughby Court. Do you know what is making up that increase by any chance?
- **Finance Director Scott:** They are struggling to keep their talent, so they are having to pay more to keep their people there and give raises and everyone else's benefits are increasing. The problem is our share of the cases is going up and we get allocated an overall percentage. So that is part of the problem. It is coming from photo enforcement. We had a contentious meeting with the Court a couple weeks ago. A number of city finance directors, and mayors were trying to push back a little bit because we are all struggling. We are hoping that their expenses come in slightly under what they are projecting. It all comes down to them needing more personnel to process the cases and all the expenses are going up.
- **Council President Kline:** Income taxes are the single largest form of revenue for us. The last four or five years has really been a unique situation involving income tax collection, not just for Willoughby Hills but for most cities and this is because of COVID-19. Willoughby Hills is a bedroom community, meaning people get up and go to work in another city and most of the income tax goes to the city where they work. Then, COVID-19 hit. When people were allowed to go back to work, a lot of the employers were allowed to work from home. During that time period, tax revenues for cities like Willoughby Hills increased because a larger portion of the tax was staying with Willoughby Hills. There were some changes with the first year of COVID-19. By state law, those funds had to go where those employers were located. Then, they changed it. Starting in 2022 and going forward, the bulk of the tax would go to where the person works. For a while, people thought this would be a permanent change and more taxes would come in due to more people working from home. It has been moving back, in 2022, 2023, and 2024. 2024 has seen a shift back. I am certainly hoping we have reached a new norm. Our 2025 budget revenue, as Mr. Scott projected, is down from the 2024 budget. I am very encouraged because the budget for 2025 is in line with the 2024 actual revenues. It is actually projected up a minor percent, which is a conservative approach. When we look at the total budget, we are not looking at a revenue projection that might be out of reach from day 1. I think this is a conservative approach, and one which could result in additional benefits and less change that there will be a further reduction. I am encouraged.

## **PUBLIC PORTION #2 (Audio: 53:11)**

**An opportunity for the public to address Council with any comments, issues or concerns.**

Public Portion #2 opened at 6:53 p.m.

- No one spoke.

Public Portion #2 closed at 6:53 p.m.

**ADJOURNMENT**

**Motion** made by **Councilwoman Miller**, seconded by **Council President Kline** to adjourn the meeting.

**Roll Call:** **AYES:** **Kline, Miller**  
**NAYS:** **None**  
**Vote:** 2/0

**The meeting was adjourned at 6:56 p.m.**

**APPROVED:** \_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Michael Kline**  
*President of Council*

**ATTEST:** \_\_\_\_\_  
**Nicholas Aiello**  
*Clerk of Council*