

BUREAU OF COUNCIL
Molly Bundrant, President
Carl Sizer, Vice President
William James
David Koerth
Taylor Galaska



Robert Fiscus, City Manager
William J. Madden, City Solicitor
Daphne Parrish, City Clerk

SHARON CITY COUNCIL
PUBLIC HEARING MINUTES

Meeting Held in Council Chambers
Wednesday, November 15, 2023, at 6:00 PM

CALL TO ORDER AT 6:00 PM
PLEDGE OF ALLEGIANCE
ROLL CALL

Council:

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| <input checked="" type="checkbox"/> President Bundrant | <input checked="" type="checkbox"/> Mr. Koerth |
| <input checked="" type="checkbox"/> Mr. Sizer | <input type="checkbox"/> Mr. Galaska – Unable to attend |
| <input checked="" type="checkbox"/> Mr. James | |

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| <input checked="" type="checkbox"/> Robert Fiscus, City Manager | <u>News Media:</u> |
| <input checked="" type="checkbox"/> Attorney Madden, City Solicitor | <input type="checkbox"/> The Herald |
| <input checked="" type="checkbox"/> Daphne Parrish, City Clerk | |

Department Heads:

- Jason Tomko, Finance Director
- Edward Stabile, Chief of Police
- David Tomko, Director of Code Enforcement
- Mark Settle, Public Works Director

- I.) **LEGAL NOTICE** – *The City of Sharon will hold a Public Hearing on Wednesday, November 15, 2023, at 6:00 PM in City Council, to present the City of Sharon’s 2024 Budget.*
- II.) The purpose of the hearing is to discuss the proposed 2024 Operating Budget.

PUBLIC COMMENTS

The proposed 2024 budget was reviewed by Section and Line Item. The following line items were discussed:
Revenues:

- 301 – Real Estate Taxes - Mr. Sizer asked the overall percentage of real estate tax collections. Mr. Tomko said it is approximately 85 percent. Mr. Fiscus said this number may be a bit skewed regarding what is truly collectable, as there are vacant lots or unoccupied, abandoned houses left on tax rolls for decades. This is uncollectable debt but counts against the collection rate.
- 310-100 – Realty Transfer Taxes – Mr. Sizer said the past few years have been well over-budget, but it seems as if real estate transfers are slowing down. Mr. Tomko said he is hesitant to budget this category; in prior years it was in the \$200,000-\$250,000 range; now it is at \$300,000. Looking back five years, we have been averaging well above \$300,000.
- 310-700 – Mechanical Devices – Mr. James asked why this budgeted item has not increased as the number of machines has doubled in the last year and one-half. Jason Tomko said the City bills the places that are known. Dave Tomko said places we are aware of, or made aware of, are addressed. Mr. James requested a list of the places on the City’s list.
- 331-200 - Demolition Payments – Mr. Sizer said in comparing 2021, 2022, and 2023, we are well over what was budgeted. He asked if something is falling off in 2024 to decrease the projected revenue. Mr. Tomko said this category is hard to gauge and he is being conservative. The Code Department is

holding individuals responsible for their housing payments, but this could fluctuate from year-to-year. If it trends up in 2024, it may increase for 2025.

- 351-100 – Assistance to Firefighters Grant and 351-200 – Staffing for Adequate Fire and Emergency Response Grant – Mr. Sizer asked if these are the same grant. Mr. Tomko said 351-100 was for the Air Pacs; and 351-200 was the SAFER Grant for staffing.
- 360-000 – Sewage Admin Fee – Mr. Sizer asked if this is the City’s fee for handling the collections and invoicing for the Sanitary Authority. Mr. Tomko said it is the fee for building rental/admin support provided by Daphne Parrish and Bob Fiscus, such as contract negotiations and other matters.
- 360-160 – Sewage Financial Services – Mr. Sizer asked if the agreement for the City to provide financial services is renewed annually by their Board. Mr. Tomko said there is no agreement formally approved by either Board other than each could opt out. Mr. Fiscus said the cooperative agreement was initially passed by Resolution and continues unless one of the parties if objectionable to it.
- 360-630 - Solid Waste Collection - Mr. Sizer asked what this account is. Mr. Tomko said it is an admin fee collected with the bill and remitted back to the City to be used for Code Enforcement for individuals not paying garbage bills. The reason for the increase is the rate increased from \$2 to \$4. Mr. Fiscus said this fee also pays for E-Waste recycling, which is outsourced to a separate company.
- 390-700 - Refund Prior Year Expenses – Mr. Sizer asked what this account is. Mr. Tomko said annually the City receives dividends from the Workers Compensation carrier based on plan performance. It was late this year, so is not reflected in the 2023 actual column.
- Mr. Fiscus said the approximately \$10.7 million covers what needs done, but the budget process continues to get more difficult. Our revenues are lagging the rate our expenses are growing. Another consideration is the upcoming county-wide assessment and the uncertainty of what it means for Sharon’s residents. We will continue to look at things in a different light and see what can be done to make us less reliant on real estate taxes. At one point the City’s operational expenses mostly came real estate taxes but is it now slightly behind wage taxes. With these unknowns, we need to look at fee structures and other areas of taxing that might seem more equitable.

The meeting was opened for citizen comments or questions on the revenue portion of the proposed 2024 Budget:

- Dave McLaren, 1113 Haig Street; Mr. McLaren asked about the decrease in Subtotal – Transfers from Other Funds. Mr. Tomko said Line Item 392-200 decreased approximately \$90,000 due to ARPA Guidelines no longer allowing reimbursement for premium pay effective April 15, 2023.

Expenditures:

- Mr. Sizer asked Mr. Fiscus to provide an explanation on the health insurance renewal, as this accounts for a lot of the increases in the cost centers. Mr. Fiscus said the City is still working on obtaining updated amounts. We are playing catch up as the last few years there were increases, but the rates were kept at a minimum because the insurance company offered a free month of coverage. The past two years the rates would increase by single digits, but they provided a credit for one free month of coverage. This year they are not offering the free month, which makes the increase higher. The insurance carrier is calculating the increase at 9 percent, but the true cost is between 20 and 27 percent. Mr. Sizer asked if the increase in the 2023 to 2024 budget outside of that increase is due to employee elections. Mr. Tomko said yes. Mr. Fiscus said the elections often fluctuate as situations change.
- 401-510 – Communication Expense – Mrs. Bundrant asked what this expense covers. Mr. Tomko said it covers cell phones, maintenance on the land phones, and internet. Mrs. Bundrant said she thought this line item was specific to Council only.
- 403-162 – Employer Medicare – Mr. Sizer asked if this line item was updated. Mr. Tomko said yes it was updated.
- 404-250 – Commission-Berkheimer – Mr. Sizer asked if the fee percentage increased. Mr. Tomko said the percentage remains the same, the increase is based on total amount collected.

- 407-000 - IT Network – Mr. Sizer asked about the actual amount for 2023. Mr. Tomko said this was due to the email switch.
- 408-000 – Engineering Services – Mrs. Bundrant asked about the amount budgeted for 2024. Mr. Tomko said this is for a few projects that are being discussed. One is the continuation of the development of the Huntington Bank area; the other is Chestnut Street. Mr. Fiscus said any project we work on requires engineering.
- 409-150 – Postage – Mr. Sizer asked about the increase in the budgeted amount. Mr. Tomko said rental inspection letters going out will be certified. Mr. Fiscus said City Ordinance requires a certified letter be mailed for compliance with the rental inspection program and we plan to do 1,250 per year at the certified rate. In the past these were sent out First Class Mail, which does not support the Ordinance and has hurt us in court a few times.
- 409-280 - Contract Expense – Mr. Sizer asked if something expired in this category. Mr. Tomko said the elevator maintenance was under this category while we were still under contract with Otis. Elevator Maintenance is now included in line item, 409-410 – Equipment/Elevator Maintenance
- 409-430 – Building Maintenance/Repair – Mrs. Bundrant asked if the increase is for planned updates. Mr. Fiscus said this increase in amount is for a continuation of IT upgrades. This year we upgraded audio and would like to add the visual component upgrades. Mr. Tomko said lights around the building were also upgraded. Mr. Fiscus said Council requested the lights outside be repaired and the amount was just short of \$20,000. The lights were neglected over the years; the repair was necessary but costly.
- 410-161 Employer Social Security – Mr. Sizer said police wages generally increase, but the budgeted amount of the employer match for Social Security decreased. Mr. Fiscus said police officers do not pay into Social Security; this amount represents the match for support staff.
- 410-300 – Police Overtime – Special Events – Mr. Fiscus said this line item will help calculate the true cost of the events and allow the events to continue with safety in place.

The meeting was opened for citizen comments or questions on the expenditures portion of the proposed 2024 Budget:

- No citizen questions.

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| ADJOURNMENT |
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Meeting adjourned at 6:27PM