

BUDGET COMMISSION

The Geauga County Budget Commission met in regular session on Monday, May 1, 2023 at 10:00a.m. in the Auditor’s Office, 215 Main St., Chardon, Ohio. Present: Geauga County Auditor Charles E. Walder, Geauga County Prosecutor James R. Flaiz, and Geauga County Treasurer Christopher P Hitchcock. Also Present: Deputy Auditors: Pam McMahan, Frank Antenucci, Tammy Most and Kristen Sinatra.

Meeting Advertised: Regular Business
Virtual attendance was offered for public viewing.

Prior Minutes

Motion by Charles E. Walder, seconded by James Flaiz, to approve the minutes of the April 17, 2023 - special session

Voice vote: Three ayes. Motion carried.

2022/2023 School Amendments

Chardon LSD – 2022/2023 Amendment #4

Motion by James Flaiz, seconded by C. P. Hitchcock, to amend Chardon LSD’s Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified for the 2022/2023 School Year.

Special Revenue Funds

Decrease 401 Auxiliary Services other source revenue (502.44), from 147,850.92 to 147,348.48.
Decrease 507 ESSER/CARES Act other source revenue (5,602.08), from 962,057.62 to 956,455.54.
Decrease 584 Title IV other source revenue (19,108.35), from 53,924.03 to 34,815.68.
Increase 599 Misc. Federal Grants other source revenue, 10.00 from 1,129,999.32 to 1,130,009.32.
Net Adjustment: \$(25,202.87)

<u>New Special Revenue Fund Total:</u>	<u>\$ 8,675,378.29</u>
New 2022/2023 Certificate Total:	\$ 83,082,562.13

**Appropriation form GCA-006 dated 5/1/2023 does not exceed estimated revenue.*

Voice vote: Three ayes. Motion carried.

2023 Amendments**Geauga County – Amendment #5 (Adrian Gorton was in attendance)**

Motion by C. P. Hitchcock, seconded by Charles E. Walder, to amend the Geauga County Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

Capital Projects Fund

Increase 4012 Airport Improvements other source revenue 225,000.00 from 40,000.00 to 265,000.00.

New Capital Project Fund Total:	\$ 27,344,356.76
New 2023 Certificate Total:	\$228,583,742.96

Voice vote: Three ayes. Motion carried.

General Discussion

Re-sign Mental Health, Aging, and Engineers Office form GCA-032. Formula and printing errors. Forms were re-signed and will be distributed to the applicable departments.

Geauga Park District Resolution #5-2023

4-12-2023 unanimously passed resolution to close #6035 K-9 Fund (zero balance).
No action needed.

South Russell Village and Russell Township:

Questions regarding the recording of special revenue items:

South Russell did an “advance” from the Income Tax Fund which carried over from 2022 to 2023 without being paid back. Their system generated report recorded it as a liability and that is how has been reflected for 2023; indicating a negative balance. As it was an “advance” should it have been recorded as a carryover balance or not recorded it at all? If the latter, how does South Russell appropriate from the fund?

Russell Twp. asked about an OPWC loan with a 10-year repayment (beginning in 2025):

1. Are they “required” to ask BC to secure loan repayment amounts from tax revenue?
2. If so, is there a form or documentation of the procedure to follow?
3. How/Who decides which levy to use for the reduction?

Auditor Walder requested that the Budget Staff discuss these items with Paul Pestello, who recently joined the Auditor’s office with an extensive background in public finance.

Future meeting dates were discussed:

Special meeting scheduled for 6/30/2023 for fiscal year-end financials for Schools.

Established July meeting dates: July 10th and July 24th (specials).

Scheduled meetings: 7/17/2023 and 9/4/2023 to be cancelled.

All meetings to be properly advertised in accordance with Sunshine law.

MVP -Tax Duplicates

Auditor Walder addressed those in attendance providing an update with regard to the suspended 0.50 JFS levy and the impact on the TY2022CY2023 billing. He shared that further investigation has confirmed that the tax duplicates were properly calculated (suspended levy was not included). The issue identified was a flaw in the distribution calculation. The Auditor’s office is working with MVP to be able to correct and adjust the calculation during the second half real estate distribution.

Auditor Walder introduced two other items for review and discussion:

1. A letter drafted on behalf of the Budget Commission to be sent to the Geauga Public Health (GPH) Board. The letter addressed the fact that the 2024 Budget submitted for consideration and subsequently voted on (April 17, 2023) was not lawfully approved by the GPH Board, although it had been represented “approved” in written communication. The letter further stated, that all future budget submissions will require proof of formal approval by the GPH Board (public meeting), prior to any consideration and/or action taken.



Geauga County Budget Commission

Christopher P. Hitchcock, Chairman
James R. Flaiz, Vice Chairman
Charles E. Walder, Secretary

May 1, 2023

Geauga Public Health
12611 Ravenwood Drive
Suite 300
Chardon, OH 44024

Re: Geauga Public Health 2024 Budget

Dear Board Members,

Recently, it has come to our attention that the Geauga Public Health (“GPH”) Board formally approved GPH’s 2024 Budget at the April 26, 2023 GPH Board meeting.

Please be advised that GPH had previously submitted their 2024 Budget and represented to be a GPH Board approved. The Geauga County Budget Commission reviewed, considered, and acted on that GPH submission under the belief that it had been lawfully approved and submitted.

Consequently, please be advised that going forward, the Budget Commission will now require formal proof of GPH’s Budget’s passage in a public meeting of GPH’s Board as required by law. See R.C. 3709.28(A) (“If a general health district will not receive any part of its revenue for a fiscal year from an appropriation apportioned among the townships and municipal corporations composing the district, the board of health of the district shall adopt an annual appropriation measure for that fiscal year under this section or sections 5705.38, 5705.39, and 5705.40 of the Revised Code.”); see also R.C. 1.02(F). This requirement will help ensure that GPH’s actions under Geauga County Budget Commission consideration better comply with statutory requirements.

We as public officials must be accountable for our management of public money. Fortunately, in Geauga County, the people overwhelmingly favor checks and balances for our local government officials. In our role as one such check, the Geauga County Budget Commission strongly encourages local government officials’ statutory compliance, which better ensures transparency and accountability to the good people of Geauga County, who have a right to know how their money will be spent.

Sincerely,





Christopher P. Hitchcock
Chairman

James R. Flaiz
Vice Chairman

Charles E. Walder
Secretary

cc: GCbudget
file

Courthouse Annex, 231 Main Street, Suite 1A, Chardon, OH 44024-1293

Direct Line: (440) 279-1600 FAX: Fiscal Office (440) 279-2184 * Real Estate/ Appraisal (440) 266-4359

Web site: <http://www.auditor.co.geauga.oh.us> Email: auditor@co.geauga.oh.us

Motion by James Flaiz, seconded by C. P. Hitchcock, to sign and deliver the letter to the Board of Geauga Public Health.

Voice vote: Three ayes. Motion carried.

2. A letter drafted on behalf of the Budget Commission to be delivered to the Geauga Park District (GPD) Board of Commissioners and their legal counsel. The letter outlined the opinions (attachments were provided) of the Ohio Attorney General, previously shared with GPD on 12/2022, on topics concerning 1545 parks:
- Have no authority to establish a reserve fund.
 - Only permitted to levy or replace taxes pursuant to R.C. 1545.21; not authorized to “renew” tax levies.

The letter advised the GPD that it is currently collecting tax revenue on two previously “renewed” levies. Further, the Budget Commission put the GPD on notice, that the matter will be addressed at their GPD 2024 budget hearing and welcome advanced communication for plans of remediation (past, current & future collections).



Geauga County Budget Commission

Christopher P. Hitchcock, Chairman
James R. Flaiz, Vice Chairman
Charles E. Walder, Secretary

May 1, 2023

Bridey Matheny, Esq. as counsel for
Gauga Park District
Board of Park Commissioners
9160 Robinson Road
Chardon, OH 44024

Re: Ohio Attorney General Opinion 2022-017

Dear Geauga Park District Commissioners:

The Geauga County Budget Commission (“Budget Commission”) is reaching out to ensure that the Geauga Park District and its Board of Park Commissioners (collectively “GPD”) is aware of Ohio Attorney General Opinion 2022-017, a copy of which is attached to this letter.

As you will recall, the issue regarding whether a 1545 parks district can establish a reserve fund was an issue of contention during GPD’s 2022 budget hearing before the Budget Commission. As indicated in the opinion, the Ohio Attorney General agrees with the Geauga County Budget Commission’s position that, as a “taxing unit”, a 1545 parks district is without authority to establish a reserve fund. Please ensure that this opinion is taken into account leading into your 2024 budget season.

Additionally, the Ohio Attorney General has opined that a 1545 park district is only permitted to levy or replace taxes pursuant to R.C. 1545.21. Significantly, a 1545 park district is not authorized to renew tax levies. As GPD currently is collecting on two previously renewed levies, please ensure that GPD is prepared to address and justify the legality of the collection of these tax levies to the Budget Commission. Any advanced communication regarding your plans for remediation for past, current, and future collections would be welcomed by the Budget Commission.

Sincerely,

Christopher P. Hitchcock
Chairman

James R. Flaiz
Vice Chairman

Charles E. Walder
Secretary

Cc: Dawn Sweeney, GPD Treasurer
John Oros, GPD Executive Director
file

Courthouse Annex, 231 Main Street, Suite 1A, Chardon, OH 44024-1293

Open Line (440) 278-1600 FAX: Fiscal Office (440) 278-2184 • Real Estate/ Appraisal (440) 286-4399
Web site: http://www.auditor.us.geauga.oh.us/mail_auditor@co.geauga.oh.us

Motion by James Flaiz, seconded by Charles E. Walder, to sign and deliver the letter to the GPD legal counsel, Geauga Park District Board of Commissioners (separately) as well as individuals copied on the letter.

Voice vote: Three ayes. Motion carried.

Additional conversation arose around the process of remediation and who would decide on the proper method. Items of focus were the revenue paid directly by the state and the reduction of revenue paid by the taxpayers brought about by the rate reduction factor used when a levy is renewed and not replaced.

Updated Tax Levy Resolutions (HB140):

The Prosecutor’s Office has completed their review and update of the Tax Levy Resolutions to assure compliance with recent requirements of the HB140 ruling. The Budget Staff opened the discussion requesting a drop-down fillable PDF. A few concerns surfaced:

- 1) What process is in place to monitor “language” should there be a change in legislation.
- 2) Statutory authority for “purpose” language outside of RC 5705.19; form might not accommodate.
- 3) As of recent, some clients choose to alter the language for a narrower use; which is not recommended but allowable.

Auditor Walder shared that his office would be willing to review and monitor. If a change in language occurs, brought about by legislation, then that would be sent to the Prosecutor’s office for review; at which time the PDF would be revised.

Having a drop-down PDF may be the option which will result in the least number of mistakes.

Public Utility late pay for 2023 Real Estate Tax Billing – first half collection:

Treasurer Hitchcock commented that they are just like everyone else. They can apply for a waiver of interest and penalty every three years.

Public Comment:

Follow-up clarification: MVP is the software company handling the levy matter concerning JFS?.

Answer) Correct

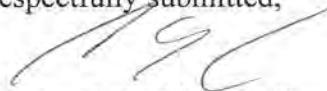
Date when the Geauga Park must submit their 2024 budget – July 20th?

Answer) Correct

A request was made for copies of letters and any revenue certificates presented at the meeting.

Being no further business to conduct it was moved by C.P. Hitchcock to adjourn the May 1, 2023 – regular meeting at 10:50 a.m.

Respectfully submitted,



Charles E. Walder, Auditor
Secretary/Budget Commission

