BUDGET COMMISSION

The Geauga County Budget Commission met in regular session on Monday, August 3, 2026 at 10:00 a.m. in the Auditor's Conference Room at 215 Main Street, Chardon, Ohio. Present: Chief Deputy Auditor / Deputy Chief Administrator Frank Antenucci, Geauga County Prosecutor James R. Flaiz and Geauga County Treasurer C. P. Hitchcock.

Also Present: Chief Operations Officer Pam McMahan, Deputy Auditors: Tina Kloski and Jennifer Hess

Regular Meeting was advertised – Annual Reorganizational meeting, 2027 est. PLF and UDLG allocations and regular business.

Jim Flaiz wanted to make a quick statement; that while historically they have held the Organizational Meeting today, the first Monday in August, there are certain statutory items that they need to do today, which are on the regular agenda. The naming of alternates and who the chair and vice chair are will need to be tabled and completed before September 1st. His position would be to add that to part of the regular business during the annual tax budget hearings. He wanted to make a motion to add to the minutes. Budget Staff questioned whether the notice would need re-advertised; did not believe that regular business was added to the notice. Jim Flaiz said then yes, it would need to be re-advertised. Noted to make sure that Regular Business was added in the future to all special meeting notices. [*Correction to statement made by Budget Staff; upon review after the meeting, the original advertisement did state Special and Regular Business. Updated advertisement was completed to include Annual Reorganizational Meeting.*]

It was moved by Jim Flaiz, seconded by C. P. Hitchcock, that:

To re-issue both 2027 Special Meeting Notices to include regular business and add to day one Annual Reorganizational Meeting; Designation of Alternates and Chair.

Voice vote: Three ayes. Motion carried.

<u>2027 Undivided Local Government and Undivided Local Government Revenue Assistance Funds</u>

There was discussion as to how the formula was determined and to whom it was distributed. In the past the Commissioners' Office have discussed forgoing their portion and redistributing to the political subdivisions. The question was posed to Adrian Gorton, Budget & Finance Manager of Geauga County Commissioners, if that was something they were considering. He advised that this was something the Commissioners would like to discuss at the August 17th budget meeting. He inquired if that had to be approved today. Kristen Rine believed that the re-distribution needed to be done prior to today's date. In checking the revised code, changes needed to be completed it on or before July 20th each year. Adrian inquired if this was a 2-year or every year item. It was confirmed this is a 1-year renewal. Discussion was also made on the pros and cons of the action of redistribution. If you change it, and you ever wanted to change it, the City would need to approve it. Adrian inquired see if you can make an agreement for a specific amount of time in the future, and then it reverts back automatically. The Prosecutor's office will look into that. It was noted that resolutions are needed from each subdivision if there is a re-distribution. For a year-to-year basis it would be an involved process.

It was moved by Jim Flaiz, seconded by C.P. Hitchcock, that:

WHEREAS, it is the duty of the Geauga County Budget Commission to approve the Undivided Local Government Fund for 2027 and:

WHEREAS, Ohio Revised Code 5747.53 and 5747.63 authorizes the apportionment of the Undivided Local Government Funds by an alternative method; and;

WHEREAS, the Board of County Commissioners and the majority of Board of Township Trustees and legislative authorities of Municipal Corporations have approved an alternate method of apportionment of said funds, presented under a revised formula dated May 25, 2021 and further revised June 15, 2021. Last Public Hearing 8/19/24.

THEREFORE, be it resolved, that the Geauga County Budget Commission does hereby adopt and certify the 2027 Undivided Local Government Funds in the total amount of $2,354,265.00 and it is hereby apportioned as listed below.

Local Government Fund

TOWNSHIP		TOTAL $
Auburn		94,641.45
Bainbridge		169,977.93
Burton		51,558.40
Chardon		69,686.24
Chester		134,899.38
Claridon		53,441.82
Hambden		72,040.51
Huntsburg		59,798.33
Middlefield		70,157.10
Montville		39,316.23
Munson		100,762.54
Newbury		78,632.45
Parkman		69,215.39
Russell		80,515.86
Thompson		41,670.49
Troy		49,204.15
	$	1,235,518.27
VILLAGES		
Aquilla	$	-
Burton	$	32,959.71
Chardon (CITY)	$	78,632.45
Middlefield	$	48,968.71
South Russell	$	63,565.16
	$	224,126.03
Geauga County		$894,620.70
GRAND TOTAL	$	2,354,265.00

THEREFORE, be it resolved, that the Geauga County Budget Commission does hereby adopt and certify the 2027 Undivided Local Government Funds in the total amount of $2,354,265.00 and it is hereby apportioned as listed on the left.

**Per Ohio Department of Taxation July 2026 estimate*

Alternate methods remove the Commission's discretion to withhold UDLG Funds from a taxing district. As such, this may be acted on by the Commission prior to the Annual Budget Hearings. The method must be voted annually by the Commission by the first Monday in August per ORC 5747.53

Recognizing the requirement to comply with Ohio Revised Code sections 5705.29 and 5705.30 - Hunting Valley will not participate in the 2027 distribution of Geauga County's UDLG distribution.

The allocation of distribution to be advertised.

Voice vote: Three ayes. Motion carried.

2027 Public Library Fund Distribution

Motion by C.P. Hitchcock, seconded by Jim Flaiz, to distribute the 2027 Public Library Fund money to the libraries and eligible park districts according to the funding formula submitted by the Geauga County Library and Burton Public Library.

The Public Library Fund was presented for certification and apportionment to the eligible entities.

ITEMIZED REPORT ON DISTRIBUTION OF ESTIMATED PUBLIC LIBRARY FUND FOR Calendar Year 2027

Library/Subdivision	Amount	% Grand Total
Geauga Library	$ 1,742,387.83	84.63%
Burton Library	$ 307,383.32	14.93%
Thompson Park	$ 2,264.71	0.11%
Russell 1545 Park	$ 2,264.71	0.11%
Russell Citizens Park	$ 2,264.71	0.11%
Chester Park	$ 2,264.71	0.11%
	$ 2,058,829.99	100%

*Note, the documentation from the State indicates the total entitlement to be $2,058,830.

Allocation based on most recent agreement between Geauga County Public Library and Burton Public Library dated April 16, 2019.

Voice vote: Three ayes. Motion carried.

Adopt the Collection Rate to be used in the 2027 Tax Budget:

Mr. Hitchcock indicated he did not understand the current economy being so strong, but that he was going to stay at 98%.

Motion by Frank Antenucci, seconded by Jim Flaiz, to consider adopting a collection rate of 98% to be used for budget preparation at the second Budget Commission meeting in January each year, for Real Estate, UDLG, HB49 supplemental, and Library distribution monies in the preparation of the 2027 Tax budgets.

Voice vote: Three ayes. Motion carried.

2026/2027 School Amended Certificate

Chardon LSD – 2026/2027 Amendment #1

Motion by Jim Flaiz, seconded by C.P. Hitchcock, to amend Chardon LSD's Official Certificate of Estimated Resources for the 2026/2027 School Year to reflect "actual" July 1, 2026 Unencumbered balances and a revised estimate of Other Source Revenues per their Treasurer's year-end balance sheet.

Chardon LSD				
2026-2027	New Fund Totals		Net Change over (under) the	
	GCA-015 #1		GCA-014	
General Fund	$	16,227,865.05	$ (42,765.95)	Beginning Balances
	$	40,644,481.00	$ -	Other Source Revenue
Special Revenue Funds	$	1,984,077.80	$ 588,691.80	Beginning Balances
	$	3,985,439.14	$ 149,939.14	Other Source Revenue
Debt Service	$	46,249.91	$ 1,063.91	Beginning Balances
	$	405,000.00	$ -	Other Source Revenue
Capital Project Funds	$	632,191.36	$ 632,188.83	Beginning Balances
	$	2,393,721.00	$ -	Other Source Revenue
Enterprise Funds	$	-	$ -	Beginning Balances
			$ -	Other Source Revenue
Internal Service Funds	$	3,570,367.93	$ 1,270,367.93	Beginning Balances
	$	5,830,000.00	$ -	Other Source Revenue
Fiduciary Funds	$	41,905.60	$ (20,094.40)	Beginning Balances
	$	105,000.00	$ -	Other Source Revenue
New Total - All Funds	**$**	**75,866,298.79**		
Net Change over Orginal Certificate			**$ 2,579,391.26**	

New General Fund Total	$	56,872,346.05
New Special Fund Total	$	5,969,516.94
New Debt Service Fund Total	$	451,249.91
New Capital Projects Fund Total	$	3,025,912.36
New Enterprise Fund Total	$	-
New Internal Service Fund Total	$	9,400,367.93
New Fiduciary Fund Total	$	146,905.60
Grand Total New Certificate - All Funds	**$**	**75,866,298.79**
Net Change in Beginning Balances	$	2,429,452.12
Net Change in Tax Revenue	$	-
Net Changes in Other Source Revenue	$	149,939.14
Total Net Changes	**$**	**2,579,391.26**

**Appropriation form GCA-006 dated 08/03/2026 does not exceed estimated revenue.*

Voice vote: Three ayes. Motion carried.

West Geauga LSD – 2026/2027 Amendment #1

Motion by C.P. Hitchcock, seconded by Frank Antenucci, to amend West Geauga LSD's Official Certificate of Estimated Resources for the 2026/2027 School Year to reflect "actual" July 1, 2026 Unencumbered balances and a revised estimate of Other Source Revenues per their Treasurer's year-end balance sheet.

West Geauga LSD				
2026-2027	New Fund Totals GCA-015 #1		Net Change over (under) the GCA-014	
General Fund	$	14,350,280.38	$ 2,246,567.38	Beginning Balances
	$	39,808,000.00	$ (1,686,519.00)	Other Source Revenue
Special Revenue Funds	$	864,787.47	$ 3,087.47	Beginning Balances
	$	2,026,223.02	$ 12,723.02	Other Source Revenue
Debt Service	$	-	$ -	Beginning Balances
	$	-	$ -	Other Source Revenue
Capital Project Funds	$	10,087,949.37	$ (3,145,517.63)	Beginning Balances
	$	1,700,000.00	$ 700,000.00	Other Source Revenue
Enterprise Funds	$	480,199.75	$ 27,699.75	Beginning Balances
	$	898,000.00	$ 7,000.00	Other Source Revenue
Internal Service Funds	$	82,067.10	$ 25,067.10	Beginning Balances
	$	250,000.00	$ -	Other Source Revenue
Fiduciary Funds	$	-	$ -	Beginning Balances
	$	3,000.00	$ -	Other Source Revenue
New Total - All Funds	**$**	**70,550,507.09**		
Net Change over Orginal Certificate			**$ (1,809,891.91)**	

New General Fund Total	$ 54,158,280.38
New Special Fund Total	$ 2,891,010.49
New Debt Service Fund Total	$ -
New Capital Projects Fund Total	$ 11,787,949.37
New Enterprise Fund Total	$ 1,378,199.75
New Internal Service Fund Total	$ 332,067.10
New Fiduciary Fund Total	$ 3,000.00
Grand Total New Certificate - All Funds	**$ 70,550,507.09**
Net Change in Beginning Balances	$ (843,095.93)
Net Change in Tax Revenue	$ (3,921,873.00)
Net Changes in Other Source Revenue	$ 2,955,077.02
Total Net Changes	**$ (1,809,891.91)**

**Appropriation form GCA-006 dated 08/03/2026 does not exceed estimated revenue.*

Voice vote: Three ayes. Motion carried.

2026 Amendments

Geauga County Public Library– Amendment #3

Motion by Frank Antenucci, seconded by Jim Flaiz, to amend the Geauga County Public Library's 2026 Official Certificate of Estimated Resources to reflect the following changes to previously certified revenue:

Capital Projects Fund

Decrease Fund 401 Fund other source revenue 2,058,981.32 from, 2,058,981.32 to 0.00.
Increase Fund 402 Fund other source revenue 2,058,981.32 from 495,584 to 2,454,565.32.
Net Change $0.00

New Capital Projects Revenue Fund Total: $17,498,785.95
New 2026 Certificate Total: $32,914,133.95

The wrong line was keyed in and so we discussed with them and it was agreed to correct to the proper line. It was added, after the vote, the titles are very similar and that is what was believed to cause the error.

**Appropriation form GCA-006 dated 08/03/2026 does not exceed estimated revenue.*

Voice vote: Three ayes. Motion carried.

South Russell Village– Amendment #4
Motion by Jim Flaiz, seconded by C.P. Hitchcock, to amend the South Russell Village's 2026 Official Certificate of Estimated Resources as follows to reflect the following changes to revenue previously certified:

General Fund
Increase Other – other source revenue 20,000.00, from 830,229.00 to 850,229.00.

New General Fund Total:	$ 2,173,817.44
New 2026 Certificate Total:	**$13,032,420.29**

**Appropriation form GCA-006 dated 08/03/2026 does not exceed estimated revenue.*

Voice vote: Three ayes. Motion carried.

General Discussion:

2027 Budget Submission Update:

Prosecutor Flaiz responded, he knows he received two budget packets. Christopher Hitchcock said he got three. Budget staff stated there were only two [*after meeting realized that was incorrect, three packets did go out; we were on a weekly release, but two went out in the same week*]. Chief Deputy Auditor / Deputy Chief Administrator Frank Antenucci asked if everyone submitted on time; Budget staff advised everyone has submitted, not all have been reviewed. There was a late submission to the Auditor's office by Chester Township Park, as staff believe their meeting was not until July 28, 2026. Treasurer Hitchcock requested a copy of the 2027 Budget Schedule; Budget staff will provide.

Prosecutor Flaiz asked Adrian what he had for them. Adrian Gorton advised the Commissioner would like to have a joint meeting at their 2027 budgets and request that the paperwork is ready to again suppress the 0.50 Child Service levy. Although it is not accurate, for all the reasons he has always said, The Board of Commissioners will have about 2.2 mil uncommitted at the end of 2027 that can be used to support this levy. There are other options that the Commissioners would like to discuss for lowering taxes with a corresponding increase in the sales tax. What Adrian has cautioned the Commissioners about is that it's difficult to measure the impact that raising the sales tax could have on the sales tax. Adrian added it is a punitive tax in a way. The surplus that the County seems to experience with the sales tax could be adversely affected by an increase in the sales tax. As if now there's no financial benefit to buy high dollar items in Geauga County. Would people forego buying in Geauga or go somewhere elsewhere where the rate is still less? Chief Deputy Auditor / Deputy Chief Administrator Frank Antenucci added there have been studies done on that. He believed the American Enterprise Institute does studies on it in terms of where you hit that level and it becomes an area of diminishing return on it. He added we are low here relative to the neighboring communities. Treasurer Hitchcock questioned how much of an increase would be the minimal increase? Adrian advised they were considering a ¼ % bring it to 7%. He felt 7 was a high number, it drives people's buying habits, being lower than the surrounding counties. Prosecutor Flaiz said it would be interesting to see what Cuyahoga County does, he read they were going to put a ¼% or ½% for RTA; however, perhaps they, RTA, are a separate authority. He believes people shop out of county for the lower sales tax rate. He had discussed this with Commissioner Brakey, who shared an article on Warran County. They had done a study because they have King's Island. He said we get a lot of out of county business. Discussion ensued on what was driving people to purchase in Geauga. Mention of how we have a lot of big box stores and how a lot of businesses are getting out of Cuyahoga County due to theft and lack of prosecution. He added that Geauga does a good job, as does the police departments to make those areas are safe for residents. They discussed the Bainbridge and Chardon growth of big box stores. Prosector Flaiz agreed with Adrian's point that if sales tax is raised people will shop elsewhere; it is something you have to worry about.

Adrain spoke further that another item the Commissioners would like to discuss at the August 17th budget meeting was the consideration for creating a new Levy Reduction Fund where part of the inside millage could be diverted in order to reimburse any levies reduced or to take the money out of the General Fund. Prosecutor Flaiz said that was a really good idea. They would like to discuss the benefits and potential drawbacks of that.

Adrian added he was not exactly sure of the differences between qualified vs unqualified levies and those percentages. Chief Deputy Auditor / Deputy Chief Administrator Frank Antenucci advised qualified are before 2013 and receive 12.5%. Prosecutor Flaiz advised that the County only has one right now [suppressed] JFS. He asked about the road levy, Chief Deputy Auditor / Deputy Chief Administrator Frank Antenucci, advised that it is not a Commissioner levy, but that their levy is [qualified]; although the County Engineer had no idea it was qualified when Carloyn Brakey kept asking him, and he did admit it was around since 1986. Prosecutor Flaiz advised if any of those items were going to be suppressed it would need to be coordinated with that elected official or their boards. That would also need to be coordinated with Budget Commission as the Budget Commission can suppress the levy. He said that they do that now, so if the Commissioners came to this board and said we want you to suppress this levy and we will give them $2 million dollars, then the Budget Commission could do that. Adrian agreed, stating that is what they do with the JFS levies currently. There was some concern, by the Budget Commission about the Board of Commissioners, that they are consistently using the same levy to manage the General Fund balance as that is not a good look for that levy. Board of Commissioners want to know which ones receive the State credit. Prosecutor Flaiz said he was not in favor or suspending a qualified levy because they are giving 12 ½ % back to the State. He feels they take enough money from the residents. Adrian advised they wanted additional options, as opposed to the JFS levy.

Adrian advised that the last thing that he had was that they are doing some investigation on budgeting aids of some kind to use in conjunction with New World in order to make the budgeting process better. He expressed that he will be the hard sell on this because he has been around for a while and New World was too difficult for many of the elected officials and department heads to use; so the decision was made to go to spreadsheets that he then put into New World. He does not believe that ClearGov is going to be easier than a spreadsheet. But they are continuing to look at it. He is very interested in looking at other potential solutions as well as from Tyler Technologies. He asked if Frank could help him reach out to Tyler to look at what budgeting tools they have available that would work with New World. He would like to see at least maybe one or two other options before they commit to anything. Frank thought he saw a ticket come through for some initial review of that. Adrian indicated it is quite possible. They wanted to see if there were any technical barriers to using ClearGov software with our current security protocol.

Prosecutor Flaiz said the one thing that I think people in government fail to appreciate is the human cost of implementing things. You know, one of my biggest criticisms of the County is turnover. It was, we'll just get somebody else. Well, every time you get somebody else, there's a huge cost to your organization. There is a training and a learning curve. He did not think that there's an appreciation in government as a whole. Prosecutor Flaiz confirmed although Geauga County historically and a lot of the hiring authorities, you have to add the learning curve to the cost of losing that knowledge when you have employee turnover and if you are implementing a new system. Prosecutor Flaiz is not sure if software would help them or if they are chasing the number they can't catch. For example, the Sheriff was fully funded for all those new positions, and they are still not filled. They are hiring a lot faster than he thought they would but trying to fill those new positions is difficult due to the hiring environment; they also have several requirements. To compound that they are having several retirements. He thinks that will be close to $500,000 in excess, but no one can really spend that money.

Adrian added there are also several large projects coming up, the old Courthouse, estimated to be $7 million dollars. There is also a big upgrade the Sheriff's office wants to do with the 800 megahertz system which is expected to be another $7 million. That is $14 million that Adrian needs to come up with. Prosecutor Flaiz said if we have all that cash, not to criticize Adrian, but his bosses, what are we doing? Prosecutor Flaiz spoke on how he has more insight than most people, as they are legal for the County, and has received zero direction. He asked 'What are we doing with 470? What are we doing with the old courthouse? What are we doing with the 35 acres?' Prosecutor Flaiz recommended the County divest themselves of assets that we don't need and cost us money. Adrian advised this is one of the objectives. Prosecutor Flaiz added "If you want us to be partners in financial planning, which I think statutorily we have to be, then the Commissioners' need to tell us what's going on, not hide it from us." They are hiding it from their lawyer which really irritates him. The question was again raised, what is going on with 470? He knows there have been buyers. Adrian advised the main anchor, the senior center is there right now, which will be resolved by July of next year, as well as the maintenance garage. He believes for the most part, everything is close now to being, or capable of being moved out of there in the short term. He believed the intent is to be able to have it on the market before the end of the year, with the caveat for the senior center.

Chief Deputy Auditor / Deputy Chief Administrator Frank Antenucci inquired about CASA; he believes they are still there. Adrian advised yes, they are but believes there are other places they can go. Prosecutor Flaiz indicated that was another point; maintenance ran around months ago and got the whole third floor of the opera house ready for CASA, and then nothing happened. I guess it's just the lack of direction. Prosecutor Flaiz advised the Budget Commission needs to know for financial planning purposes, if assets will be divested and also of funds needed, for example; we need $7 million for the old courthouse. He had not heard who would be moving into the old courthouse. The addition was purposely built for the Probate/Juvenile Courts so they would have secure parking, and reduce points of courthouse security and eliminate some of the locations of security desks. Adrian believes that they will be the main anchor that's going to be over there, but, uncertain if that department would have all that space or not. Adrian advised there are multiple plans, just which one ends up being the correct one, has not yet been established. Prosecutor Flaiz advised he did not know; he does know there's been work sessions, and he was not invited to any of the work sessions. Chief Deputy Auditor / Deputy Chief Administrator Frank Antenucci added, [the Auditor's ADP] handles all the IT for 470 and he heard about it after the fact. He thought maybe all the stakeholders are not being invited, he did not know if it was for political or other reasons, but it would be helpful to have more people in the know part of the discussion and know what could potentially be coming down the pike. Prosecutor Flaiz added his suggestion on the 35 acres, or the lack of a plan for that. He felt it was a valuable resource that Ryan Homes would go put 100 homes on there quickly, most likely if we sold it to them. We would then be getting money for the 35 acres, in addition to generating tax revenue for the County; but instead, it just sits there. He expressed frustration when the conversation is to be discussing finances, that they want to save things, like 470; because that is actually costing us money. You get money by selling it, then you have the added benefits of real estate taxes generated on the property. Treasurer Hitchcock added the moment it transfers it is generating property tax. Prosecutor Flaiz continued, generating property tax and hopefully sales tax. Going from a large negative to a large positive.

Prosecutor Flaiz expressed thanks to Adrian for coming and it was nice to have him there. He felt Adrian did a phenomenal job this year with the budget and trying to calculate and communicate with the hiring authorities, that was great.

Public Comment:

Sarah McGlone (LWV) asked for all revenue certificates and UDLG and PLF information to be sent to her. She inquired about the entity that dropped off late, who was that? Chief Deputy Auditor / Deputy Chief Administrator Frank Antenucci advised Chester Township Park. She asked if there was a consequence to that. Frank advised that they were in violation of the Ohio Revised Code. She asked if there was a penalty for that. Frank advised that they did not meet until July 28th. Prosecutor Flaiz said that the late meeting was the largest of the two violations. Getting it to the Auditor's is not as critical. She asked if some of the park's get the library money. Prosecutor Flaiz said yes, they will share that paperwork as well.

Being no further business to conduct it was moved by C.P. Hitchcock to adjourn the August 3, 2026 regular meeting at 10:51 a.m.

Respectfully submitted,

Charles E. Walder, Auditor
Secretary/Budget Commission