

Village of Windham, Ohio

Mayor's Annual Report

2008

By

Robert W. Donham II, Mayor

2008 was a year of transition, the Village swore in a new Mayor and 4 new Council members, and the year posed many challenges and successes. 2008 stands as a year where the Village was able stabilize past financial mistakes and provide a foundation for lasting progress. The Village was able to take great steps toward improving Police protection, upgrading the quality of infrastructure, increasing financial stability, beautifying and upgrading parks and recreation areas, and providing more responsive and accountable government. 2008 should be considered by all measures a resounding success, given the past instability, and present economic condition. 2009 should pose many of the same difficulties as the national economic condition continues thru this recession, however; Village officials stand ready to react and adapt to ensure 2009 be as productive and efficient as possible.

VILLAGE FINANCIAL REPORT:

In 2008 the Village experienced one of the most productive financial years in recent memory. Through good management, sacrifice and creativity on behalf of the departments, the Village was able to achieve a **16% budget surplus**, of **\$126,156** in the General Fund, and maintain positive cash balances and stability in all Village Funds. This was done while paying down unexpected expenses and debt that are not likely to occur in the foreseeable future. Total General Fund Revenue was **\$922,194.96** and Total General Fund Expenditures were **\$796,039.17**. As of the end of the year the Village had a General Fund Carryover of **\$296,628** this represents a **40% carryover** based on the 2009 Appropriation Budget. Income tax collection for 2008 was at an all time high of **\$634,822**. This represented approximately **\$100,000** over normal projected income and was used primarily to pay down unexpected debts and expenses. The following is a detailed description of the unexpected expenses and debts paid during 2008:

In December of 2007 the 2004 audit was completed and as a result 6 funds were left with negative fund balances. In order to continue operation, money was loaned from positive balance funds, and money is being paid back on an installment basis to correct this error. The total debt due to this was in excess of **\$80,000**. Other debts that were paid in excess of our normal operating expenditures for 2008 were, delinquent Workers Compensation premiums in excess of **\$40,000**, delinquent liability insurance premiums of approximately **\$20,000**, delinquent audit fees for annual State of Ohio audit of approximately **\$36,000** owed on previous audits, completion of the police dispatch center renovation, approximately **\$20,000**, restoration of State Route 303 due to road failures above the new sewer line replaced in 2007, approximately **\$12,500**. General repairs and upgrades to existing inventory due to current conditions being in complete disrepair, i.e. Police Cruiser, Computer Server, and general equipment cost **\$25,000**. This constituted a total debt of approximately **\$233,500** that needed to be accounted for in addition to the everyday expenses of running the Village. Most of this was able to be paid off early and still maintain a budget surplus for 2008. Approximately **\$150,000**

of this debt has been paid during 2008 and we will continue to eliminate this debt as we progress through 2009.

Current and past Council Members were instrumental in volunteering their time to help the Village organize all of our financial paperwork which allowed the Village to be able to complete the 2005, 2006, and 2007 Audits all this year. Typically an audit is done once a year or once every two years, so completing 3 audits during one year was a monumental task that required a great deal of time and organization to complete. This has gotten the Village caught up to date with audited financial data and has allowed the Village to be able to more accurately project our expenses and adapt when needed. The Village has been able to continually improve through our financial audits and expects our 2008 audit to be our best audit to date. The Village officials acted swiftly in 2008 to stabilize our funds, require greater accountability on spending, and put in to place policies and procedures that should help to provide greater financial security for the Village for years to come. There is still a great deal of work left to do, however; the process has come together more quickly than expected and will be of great benefit as we navigate through the current recession.

VILLAGE SAFETY REPORT:

Police Department:

During 2008 the Village Police Department experienced many changes. The department budget was increased from **\$483,000** in 2006, to **\$565,500** in 2008 and was made, without exception the #1 priority of the Village. The Department was given several challenges and policy changes, and have responded tremendously. The Department has worked tirelessly, to eliminate the criminal element from our town and the results have been very promising. The Village has seen a **40% drop in crime** reported compared to the 2007 statistics and this has been done while maintaining the **same amount of arrests** as previous years. This means we are putting a much higher percentage of those that commit crimes in jail, and maintaining constant enforcement. In the first half of **2006** on Maple Grove Road, there were **289 complaints**, of those **55 were cleared through arrests** for a **19% clearance rate**. In the same time frame for **2008**, there were only **121 complaints**, of those **67 were cleared through arrests** for a **55.4% clearance rate**. This improvement is typical across the Village and is a direct result of shifting the Police philosophy from being a mostly reactive department to a mostly proactive department.

The Department also undertook several equipment and infrastructure changes. The Offices were renovated and expanded to effectively double the size of the Police Station. The administration offices were moved out of the front of the building and located in the old Street Department Garage, which was previously converted into offices and storage. The Police Station then expanded to the entire building and the Station was renovated to provide a new, state of the art, dispatch center. The renovation also separated our dispatch area away from the prisoners, and provided a more secure station through the addition of steel doors, steel reinforced walls, bullet resistant glass, and security cameras. The Department also received a new Computer Aided Dispatching system that rivals any department in Portage County. This system provides for instant electronic filing of complaints and can be sorted and inspected through a series of fields. This allows officers to retrieve data by name, address, business location, and other criteria, which provides the officer with a history of the location or individual when responding to a call. All calls are also recorded and stored through this system and has been a useful tool when investigating complaints to provide a more thorough inspection of the context of the complaint. These changes have helped promote a more professional atmosphere and gain more detail-oriented results. In **2006** our state Law Enforcement Automated Data System (**LEADS**) audit found a **33% error rate** in our

Department. The same **LEADS audit in 2008 found a 0% error rate**. This is extraordinary improvement rating considering the statewide average is between 6% to 8%.

Our Department is steadily improving and adapting to the ever changing environment that they find themselves in. There are still many policy and procedural changes that the Department will implement, however, great strides have been made and the Department will continue to pursue the goal of being one of the best small town departments in the State of Ohio.

Fire Department:

Although the Village remains in a lawsuit with Windham Township over the current handling of the Fire Department and the Village Tax monies involved, progress has been made toward providing a long-term solution that provides for the best operation of Fire and EMS services for resident of both the Village and the Township. I am optimistic that although the Village has officially withdrawn from the district, and plans to once again begin sole operation of the Fire Department on July 1st 2009, there remains a good possibility of resolving all remaining issues before this date. Protecting the continuity and integrity of the Fire Department remains the primary goal of the Village. Returning to a meaningful partnership with the Township provides the best services for both communities and I believe this can and will be accomplished in 2009. Due to the complexity of the lawsuit and history of the department please review our website as an appendix to this report. www.windhamvillage.com has a link called Joint Fire District, that has full copies of resolutions, ordinances, the lawsuit, and past agreements that accurately detail the issues.

VILLAGE UTILITIES / INFRASTRUCTURE REPORT:

Water and Sewer:

The most notable impact to the Water and Sewer Departments has been the developments with the Ohio National Guard and the Ravenna Arsenal. Previous to this year the Village had been in discussions about building nearly **30 million dollars worth of water and sewer improvements into the Arsenal** for there proposed expansion. This was a very good prospect but exposed the Village residents to an enormous amount of risk in going 30 million dollars in debt and recouping the cost over several years. The solution came through a joint share agreement the Village was able to secure with Portage County Government. Essentially the County has agreed to provide the 30 million dollars worth of improvements, eliminating the risk to the Village. The Village will then provide the County with water and sewer services through a share agreement where the county will pay the Village for the services. The County will then bill the Arsenal for the water and sewer treatment to recoup their costs. The Arsenal will be a retail customer of the County, and the County will be a whole sale customer of the Village. This agreement is monumental for the Village and is a win for everyone involved and provides for one of the biggest development opportunities in Portage County. This will allow the Village to benefit from the economy of scale, and sharing resources, providing the potential for rate stabilization, rate decreases and infrastructure expansion and upgrades in the near future. In addition to the Arsenal Developments the Village has been expedient in controlling costs and paying down debt, **by 2010 the Village will have eliminated \$191,000 per year in annual debt obligations** and will be able to pass this savings on direct to Village Residents.

Supplies for water and sewer treatment have increased significantly due to inflation. In previous years the approach has been a 5% increase on water and 5% increase on sewer every year. Coming in to this year both water and sewer funds were running a deficit and were evaluated. Due to the automatic increase in water no adjustment was needed, however, the

sewer fund was severely deficient and a mid year rate increase was implemented. As a matter of policy the Village now reviews rates and budgets at the end of the year and recommends rate changes accordingly. This process allows us to more accurately gage and react to the needs of the departments and the residents. As a result of this the Village was able to freeze sewer rates for 2009 and institute a modest water rate increase to account for the rising cost of chemicals. The Village will continue to pursue lower rates for residents, our debt reduction and the Arsenal expansion will aid the Village in doing this, however; we will continue to pursue every option including further partnership with Portage County Government to ensure the lowest possible rates for our residents.

Streets and Sidewalks and Properties:

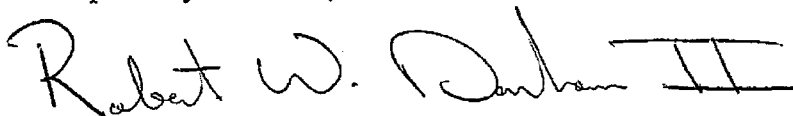
The Village has maintained committed to eliminating blight and promoting newer housing and more green space throughout the Village. During 2008 6 blighted housing project buildings were demolished and 6 more are scheduled for 2009. These demolitions will continue to be perused, staying consistent with the Villages overall goal of modernizing our buildings and infrastructure and promoting newer housing and upgrades throughout the Village.

During 2008 the Village completed two infrastructure projects on the roads and sidewalks as well as our general maintenance projects. Emergency road repairs were done on several locations along the Center Street Sewer project where the roadway was failing. The Ohio Dept. of Transportation was scheduled to pave S.R. 303 during June and would not proceed with the road in the current condition. The Village acted quickly to have a contractor repair the areas and allow the State's paving project to proceed. The Village also received a \$60,000 grant from the County Commissioners to repair and replace sidewalks in our most deteriorating locations. The Village was able to replace 3211 feet of sidewalk with this and will institute a Village wide replacement program in 2009 that will systematically identify and replace sections of sidewalk with the overall goal of having complete connectivity to most portions of the Village.

During 2008 the Village also established a prioritized list for Village wide road resurfacing. This provides us with the ability to pursue grants to re-institute a program where every year we replace a portion of our most degraded roads.

2008 was a very successful year for the Village in stabilizing and creating a foundation on which we can build upon to create a Village that provides top notch services and facilities. 2009 will pose many challenges in navigating uncertain financial conditions throughout the Country. However, the Village has taken great strides in preparing for future success, toward further improving Police protection, upgrading the quality of infrastructure, increasing financial assets, beautifying and upgrading parks and recreation areas, and providing more responsive and accountable government. We must continue to build on our successes, and strive to always provide the residents of Windham a government of accomplishment and trust.

Respectfully Submitted,



Robert W. Donham II, Mayor