

VILLAGE OF OAKWOOD  
COUNCIL FINANCE (BUDGETARY HEARING)  
COMMITTEE MEETING MINUTES

September 8, 2020

PRESENT:

Johnnie Warren – Council President  
Elaine Gaither- Council at Large  
Chris Callender – Ward 1  
Eloise Hardin-Ward 2  
Melanie Sanders – Ward 3  
Patricia Rogers – Ward 4  
Candace Williams – Ward 5

Brian Thompson- Finance Director  
Gary Gottschalk-Mayor\*

ABSENT:

\* Arrived after roll call

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**Warren** opened the meeting at 6:05p followed by the pledge of allegiance and attendance.

*Revenue Budget Ratio*

**Thompson:** We should be at 67% collections and expenses. We projected \$9.8 million for the year and began with \$319,000. Year to date is \$5,760,000. We are under collected at 59%. He highlighted areas higher than 67% expenditures below:

*Misc. Contractual-Utility*

**Thompson:** We had a surge on our bills. An audit is being done. I expect a credit. **Williams** asked if that is all unities. **Thompson:** Yes.

*Building*

**Thompson:** A lot of IT work was done. They also have an additional person doing inspections. **Williams** asked about it. **Thompson:** Dan isn't certified in mechanical inspections. **Warren:** Seldom do you have a CBO certified in all disciplines. The CBO oversees the Building Dept. He has to farm those out. He was also out ill, so some inspections were done by third parties. **Williams** asked about the specific items.

**Thompson:** He will.

*Bedford School*

**Thompson:** This is our contractual obligation for the year. We won't have any more expenses there.

*Overall Budget*

**Thompson:** Overall we are unspent by about 9%. We are at .58. He reviewed Senior Fund and Recreation Fund. **Williams** asked about the summer program. **Thompson:** The Mayor will address that when he arrives. **Williams:** Where do the funds go if we come in under? **Thompson:** We will lower our budget. **Sanders:** Do you know what the reimbursement will be? **Thompson:** About \$325,000.

*SCMR.*

**Thomson:** We are down quite a bit on SCMR. We expected \$1.4 million but to date we have \$393,000 with \$743,000 expenses. We are waiting for a large reimbursement from the County.

*Revenue comparison 2019 – 2020 & Detail*

**Thompson** explained the attached report. We are close to \$700,000 difference. Hardin asked about bank startup. **Thompson:** First Merit was bought out by Huntington. We do a lot of business with the bank, so we try to retain a relationship. We received \$78,062 in Covid funds. **Hardin** asked about a security

officer. **Thompson:** That security money is for officers at the Community Center. **Williams** asked about donations. **Thompson:** That large portion is what Petitti gave us. He explained \$3.6 million and \$3.3 million comparison for income tax. This year we are down \$95,000 from 2019.

#### *SCMR*

**Thompson:** Buckthorn will not be done this year as well as Broadway Avenue and street striping. A new project for the note was Forbes Road. **Williams:** The one cancelled is on for next year? **Thompson:** In 2021 we are proposing Broadway/Richmond intersection environmental work, county roads, roadway signalization and all-purpose trail, Pump Station at Forbes, and Richmond, salt shed and Garden Road Sanitary Project and potentially Fair Oaks Construction. **Williams** asked the cost of materials for county roads. **Thompson:** Buckthorn is not scheduled for next year. This report is not iron clad. **Hardin:** For \$15,000? **Thompson:** Correct. **Mayor:** We will reassess our roads after winter. We usually get \$75,000 for county roads. **Council** expressed they do not have the yellow highlighted report. **Williams** asked about striping. **Thompson:** It isn't listed here, at least not at this point.

#### *Debt*

**Thompson:** We closed the note Council passed, thank you. We meet with our Bond Counsel and Financial Advisor. We bought that note at the lowest rate in my career here. **Mayor:** Even though we were reduced from A to A- on Standards and Poors, we received a rate of less than 1%. Every other city is tumbling due to revenue reductions. **Williams** asked for a full financial disclosure report prior to making any decisions like this in the future. **Thompson** agreed to provide that.

#### *2021 Budget Process*

**Thompson:** The memo went out to the Department Heads requesting proposed budgets. In 2021 no raises will be issued. **Williams** asked about contractual issues. **Thompson:** I put them on notice in the memo. They are due to meet this year. **Williams:** Is there any research on Healthcare. **Thompson:** We will be going to market later this month. Prior to contract signing I will bring in our consultant. **Hardin:** For the record, since I retired, for the first time I will only get \$300.

#### *Fire Dept Vehicles*

**Thompson:** The Fire Chief is looking to purchase equipment. In May of this year we were approved for \$300,000 capital expenditure under the lease program with First National Bank. The Fire Dept will be scaling back on tanks and considering a pickup truck and two Explorers for fire inspections. The Chief can elaborate. The payment doesn't start until September 2021. **Hardin:** How does that effect the numbers? **Thompson:** We will schedule that in the debt schedule next year. We have a 2% contract increase which will assist in paying for these. **Mayor:** This is very nice having us hold off 12 months. **Williams:** Is this something new? **Thompson:** This will be for next year. **Hardin** asked about the two vehicles each year. **Thompson:** The Police Dept. rolls theirs every two years. **Schade:** Our pickup truck is going to be 15 years old and the two Explorers are older. They are near their end of life. We take care of our vehicles. One hauls the HAZMAT trailer and the others for equipment. **Hardin** asked about a fancy truck at Village Hall. **Thompson:** That is the Police Dept. It was bought a few years ago. **Hardin:** What do they do with that? **Thompson:** They take guns downtown to melt them and use it for OVI. **Hardin:** That is the first time I saw that. **Sanders:** Would we trade in the older vehicles. **Thompson:** A different dept. may use them or we may sell them on [www.govdeals.com](http://www.govdeals.com). **Warren:** Most times the older vehicles are given to the Service Dept. **Gaither:** Hand-me-downs.

#### *Debt*

**Williams** asked about paydown. **Thompson:** The \$300,000 is an anticipation bond, carrying the note five years then turning it into a bond. I provided the payment schedule. We pay interest every year. It is cheap at 1%. Bonds are relatively close. **Warren:** I think she is asking about the repayment of the debt. I believe we are paying on the older ones. **Williams:** Is there a strategy to paying them off? **Thompson:** We refer to Standard and Poors for Bond Evaluation, Bond Counsel and Financial when we go out for debt. We

can renegotiate at a lower rate if it is advantageous. **Hardin** asked about the Macedonia Road debt. **Thompson:** The Mayor is close to closing that deal. **Mayor:** Yes. It will be nice when we retire that.

#### *Contingency Budget*

**Thompson:** I outlaid the changes in appropriations to the end of the year. We scaled down over \$770,000.

#### *Cancellation of Events, etc.*

**Mayor:** I laid out the cancelled events for the year; all concerts, all camp, Amish Tours, Sam's Club breakfasts, Halloween, Blue Canyon. The only things offered will be Thanksgiving dinners, Santa gift delivery and senior events in exercise and education. Recreation cuts were \$173,300, Mayors office \$600,02. Community Center \$85,000, Exterior improvements \$38,000 equating to \$363,800. The road programs were cut by \$350,000. This offsets the half million in net profits. It makes no sense taking from our reserves for the Forbes Road project when you can get it at less than 1%. **Sanders:** What were the costs for Summer Camp we did offer and the final count? **Mayor:** About \$29,000. **Hardin:** How many students did we serve? **Mayor:** None. We had to pay the teachers. The camp was going to start in a week, and we realized we weren't going to have the students. They prepared curriculum, so we paid them for their work. **Williams** asked about it. **Mayor:** That amount was for wages, teachers, masks, shields, outdoor open-air tents. Some of this is being reimbursed with the Covid funds. **Rogers:** Will we keep everything not used? **Mayor:** Yes absolutely. The tents can be used for future events. **Thompson:** I lowered the transfers out, Mayor's events, streets, Senior and Recreation. **Mayor:** In northeast Ohio, you are seeing the 9<sup>th</sup> largest population loss in the U.S., taxes are highest. We increased our income tax six years ago. You don't need voter approval to reduce the credit so many municipalities are doing that now. We have 100% credit for those working outside Oakwood. We are blessed with our withholding from strong companies. We wanted to put wiggle room in our budget. **Hardin:** How is that monitored if an employee works from home? **Warren:** No business is going to do the accounting with employees scattered all over the area. They will simply pay taxes in the community the company is located. **Hardin:** I find that interesting. **Warren:** Just like Kokosing, they are working in many municipalities, but the primary source of payroll is coming in Oakwood. **Mayor:** There is a small element trying to change that. **Williams** asked about the budget. **Thompson:** This identifies what was passed and the contingency budget due to Covid.

#### *Contingency Budget*

**Williams** asked about the contingency budget for emergencies. **Thompson:** We aren't talking about laying off employees; 60% of our budget is employees. **Mayor:** The answer is economic development. **Thompson:** I started the year at \$319,000 and I am running the year about \$310,000 we are holding steady. Who is going to pull the trigger? **Williams:** We have to begin with a plan then where we cut the budget. We have talked about it a few years now. You can't keep putting that off. **Thompson:** Once we get a balance of \$500-\$800,000 we can begin to look at what it will take to get there. **Williams:** What would it take to have \$150,000 in a year? **Thompson:** I can make recommendations. **Hardin** asked about the Mayors report. **Mayor:** That is what we carved out of the Mayors office. **Hardin** asked about 201, 204, 208 **Thompson:** 201 is Street fund, 204 is the Recreation fund and 208 is Senior.

#### *New Municipal Building*

**Hardin** asked about a new Municipal building. **Mayor:** You need two developments. **Hardin:** You have four. **Mayor:** He asked the Chair to allow him to review those. **Williams** asked about the Weber Park Sewer fee. **Thompson:** Some time ago there was a tie-in project. Bedford bills us and we bill it out to the residents. You may want to speak with Ed. He knows the details.

Motion to adjourn made by Sanders seconded by Roges

7 YES: Warren, Gaither, Callender, Hardin, Sanders, Rogers, Williams

Motion passed

Meeting adjourned 7:03 pm

Approved: \_\_\_\_\_

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Johnnie Warren, President

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Debra Hladky, Clerk of Council

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