

VILLAGE OF OAKWOOD
COUNCIL BUDGETARY HEARING MINUTES
October 6, 2020

ATTENDED

Johnnie Warren – Council President

Brian Thompson-Finance

Brian Thompson- Finance Director

Chris Callender – Ward 1*

Eloise Hardin-Ward 2*

Melanie Sanders – Ward 3

Patricia Rogers – Ward 4

Candace Williams – Ward 5

ABSENT:

Elaine Gaither- Council at Large

Gary Gottschalk-Mayor

*=Late Arrival

Warren opened the meeting at 6:05 pm
Pledge of Allegiance and Roll call were completed.

Virtual/In-person meetings

Note: Some members were in-person and some were virtual for this meeting. Those who were virtual, had a hard time hearing the others. **Warren:** Going forward we are going to have one virtual meeting and one in person meeting per month. It is too much preparation and not enough people showing up. The second Tuesday meeting will be virtual and the fourth Tuesday, it will be in person.

Clerk of Council

Thompson: I provided 2019/2020 with expenses through August 2020 and 2021 projected permean appropriations. It is recommended no raises next year.

Council

Thompson: We included a potential new line item; Youth Council Admin Assistant, based on Council conversation with \$8,000 allocation. Total Council budget for 2021 is projected at \$175,785.59. **Williams** asked Thompson to print out detail of the miscellaneous contractual for each department. **Thompson:** Yes. **Warren** asked about travel and transportation. **Clerk:** This is in anticipation of each Councilmember attending. **Williams** asked about \$21,000 in 2019. **Thompson:** That is what was expended that year. **Williams** asked for Other Expenses line item detail. **Thompson:** I will provide that to you. Council Other Expenses included Sam’s Club purchases. **Clerk:** That is for water, light refreshments for special meetings and longer meetings.

Traffic Control

Thompson explained the total for 2021 is projected at \$11,650.

Budget Cutting

Hardin: Based on current revenue, have you projected the percentage of loss we will have in 2021? **Thompson:** Holistically, 700,000 this year. **Williams** asked the percentage. **Thompson:** It equates to 8% -10%. I can have that solid number later, once I receive the RITA numbers. **Hardin:** Do you agree that would be a great way to do this? – cutting budgets by that amount? **Thompson:** Yes, it would be. **Warren:** Maybe a course of action could include looking at the fourth quarter of the two preceding years comparative of 2020 with Covid. What would that look like in percentages as we anticipate our receipts? **Thompson:** Yes, we can do that. **Warren:** It would be incumbent upon you to adjust the budgets and make cuts based on the revenue. **Williams:** When is the budget due to the State? **Thompson:** December 31st but you

can get the extension through March 31st next year. **Williams:** We have been in a pattern of extending it. **Thompson:** Yes, but I want to pass a permanent budget by year's end.

Animal Control

Thompson: I anticipate the same amount for 2021 as 2020. The contract goes through February 2021. I have a copy of the legislation. **Hardin:** When do we typically begin negotiating? **Thompson:** I contacted the Police Chief who will negotiate with him. **Williams:** Is this cost fixed? **Thompson:** Even with Covid it depends on the number of animals he collected.

Street Lighting

Thompson: These are for the main thruways throughout the Village. Electric and utilities, we have four months to go so I put it at \$105,000. **Williams** asked why he is expecting to spend more. **Warren:** With daylight savings time ending, it gets dark earlier and requires more lighting. **Thompson:** The increase is more in line with trends, \$70,000 divided by 8 months x 12 months equates about \$105,000.

Planning, ZBA, ARB

Thompson: These are related to the number of meetings and wages for members. It is being kept the same level.

Refuse Collection

Thompson: This is straight line calculations resulting in \$118,000. **Hardin** asked if we renegotiated the contract. **Thompson:** We have an agreement, but it is awash with the royalties we receive. **Hardin** asked about the receipts. **Thompson:** We will cover that when we review receivables.

Mayors Court

Williams asked about program support. **Thompson:** They have a special system they use for communication and case entry. **Williams** asked about bank service fees. **Thompson:** That is for the online collections. We pay a credit card fee. The raised total is \$176,115. **Hardin:** What equipment are they purchasing? **Thompson:** They are due to replace a circulating unit since they are close in proximity to each other. It was leaking badly. They have also been advised to update systems since Bedford Muni Court changed their processes. **Williams:** The program support is for what? **Thompson:** This is the one-time purchase for a new server. **Hardin:** Due to air circulation, could we have used Covid funds for that purchase? **Thompson:** Potentially it could be, but I am cautious as to what I use the funds for. **Warren** asked him to check into it. We have people from the outside entering the building. **Williams:** If you don't spend them all where do the funds go? **Thompson:** By October 20th I have to report to them on the funds expended. The directives are vague. The County will get it back. **Warren:** It then goes back to the State and back to the Federal Government. If you justify that expenditure is Covid. **Thompson** included the job descriptions for Mayors Court. **Hardin** asked for that for each department.

Senior Citizen Van

Thompson: We have John Poindexter, Willie Clopton and an additional driver, Roku projecting \$66,600 for 2021. **Williams** asked about reductions due to Covid. **Thompson:** We had an uptake in runs. **Hardin:** Cuts were made based on need. Would an assessment have been made here? Why would you continue to run the same available with no one using it? **Thompson:** Seniors call a week ahead. Drop-off/pickups may have stopped in some riders, but we continued to operate. **Hardin:** Did you have drivers waiting for a run to be called in? I don't believe it is prudent to have a driver there when there were no riders. **Williams:** During a shut-down we were still operating? **Warren:** We should continue. **Williams:** You can't operate on full capacity in a shut down. **Warren:** The service should go uninterrupted. The management of the service may need to be looked at. **Williams:** They go to more than just appointments. **Thompson:** Yes, grocery shopping, prescription pick up, etc. **Hardin:** We are saying don't shut it down, but the country was on a different mode of operation. Managing the situation would still give the service, but based on the salaries could we have not combined some of the runs? **Williams:** If our budget is cut overall, this is an area where the cut may have been included. **Warren:** If the need is there, whether the budget is cut or not, it would take a lot more to say to cut the service. The management of it is another thing. What is the intake person? **Thompson:** Hiliary schedules the runs. **Warren:** Look at Hiliary and the rides. We are not here to enrich anyone. If she is doing her due diligence in scheduling the services to residents competently and responsibly that is one thing, but the question becomes, are there situations where the drivers are sitting and not doing anything. **Hardin:** No one is saying cut the services, just manage the funds. This isn't over.

Williams: Just because you are cutting 10% doesn't mean you cut services. **Thompson:** I haven't seen the drivers not running. Your point is well taken. **Rogers:** Do we have a breakdown of what we are doing for Glenwillow? **Thompson:** We have one individual, but he has not used the service. We are still billing Glenwillow. **Clerk:** One of the drivers had a brief conversation with me. He would normally take several people on a run with several drop offs. He then spread out the pickups and drop offs and would clean the van in between runs. **Hardin:** Some have no other means. That is a good point.

School Revenue Sharing

Thompson: We have additional companies. **Hardin** asked if the Village is current with the schools. **Thompson:** Yes, I paid them in June. **Hardin** asked about the agreements based on Covid. **Thompson:** It is all dictated on property tax. If our revenues are down based on the abatement, we simply receive the percentage on the agreement. **Thompson:** New ones are coming into play as well. **Williams:** It is estimated on the contract. **Warren:** It is a percentage. **Hardin:** Could we ever renegotiate it? **Warren:** Revenue is less, are you saying reduce the percentage? **Hardin:** Yes. **Thompson:** I can look into it. **Warren:** We are one of the primary communities in the Bedford School System which gives tax abatements.

FOP Negotiations

Williams: When do Police negotiations start? **Thompson:** The end of the year. **Williams:** Will we always agree with the contract? **Thompson:** Historically, yes. **Williams:** Are you saying it could change? **Thompson:** It has always been. **Williams** asked if there is an end date. **Thompson:** It has wrapped up fairly quickly. We have our attorney, and they have their FOP attorney. **Williams:** Is there a start and end date. **Warren:** There hasn't been one. Just like any other negotiations. **Hardin** asked when they start this year. **Thompson:** The Chief has already begun discussions. They have been advised there are no raises next year. **Hardin:** Are the attorneys meeting right now? **Thompson:** The discussions are internal right now. The Chief will relay administrative information to the FOP attorneys. **Hardin** asked what our attorney does. **Thompson:** They arbitrate back and forth. The FOP may come back with minimal discussion items. **Warren:** You are saying there has been communication with the FOP and feedback of our communications. **Thompson:** Not in writing yet. **Warren:** At this point, we should be getting more concrete negotiations, so we have a realistic opportunity to establish a budget. The budget is pending the negotiations so when we do a budget we will see where we are with expenditures. Service, Fire and Police are the primary services for our residents. **Thompson:** We don't have negotiations for Fire and Service. **Warren:** I understand that. **Thompson:** I will get more concrete information. **Williams:** When you say we, who are you referring to? **Thompson:** I bring financial information, the Mayor and the Chief as well as FOP leaders in the Police Dept. **Williams:** And our attorney? **Thompson:** Yes.

Healthcare

Williams asked about healthcare. **Thompson:** We have a regular agent who goes out to the market. I will bring them in with the results. They know our self-insurance and stop loss. **Hardin** asked when. **Thompson:** Within the next month. **Williams:** Do you look up and down or are they just looking at comparable plans? **Thompson:** We do look up and down at comparable. **Williams:** Will the agent have those when he comes in? **Thompson:** Yes. **Warren:** We had different agents in the past. With the number of people, age and claims, nobody wanted to join us since we would cause their insurance to increase. **Williams:** When we do the FOP contract, it is only for the Police, correct? **Thompson:** Yes. **Williams:** Do we then make a different set of standards for the rest of the employees or do we mirror it? **Thompson:** We mirror the Police for the rest of the employees. **Williams:** In previous years, the 2% isn't something required. **Warren:** It isn't required with the other employees, just with the FOP. **Williams:** Outside of Police, is a choice. **Warren:** Yes. We do that for continuity. It is difficult to give one person a raise and not give another a raise. **Williams:** What do you mean by that? **Warren:** Overall, the total employment gets the same as the Police. Over the years, we have done that.

Contingency Budget

Williams: We were talking about the contingency plan for a while. **Thompson:** It will be a goal to set aside \$600,000 or \$1 million. We will have to evaluate our payroll and potential income. There are a lot of parameters. **Warren:** That is what she expects you to provide according to our debt service, revenue and expenditures, how much could we put aside every year? **Williams:** I thought you spoke with someone who said what our numbers should be. **Thompson:** Yes, the Government Finance Office. I can look into that. **Williams:** I suggest while we are reducing funds, that you ask all Department Heads where they can cut 5%, maybe there are areas we can do that. You can't keep talking about it and not put it into action. At some point you have to take funds from somewhere for a contingency fund. **Thompson:** You can cut across the board, but we have to determine what we need to operate the departments. I can make some strong

suggestions. Once that is in place, we will have to pull the trigger and say we have to lay off half our safety forces and hopefully we will get the new revenue from businesses. **Williams:** You make it controversial. We are talking about laying off people. **Thompson:** You can't establish a contingency budget raising it to \$300,000 general fund balance without making some of those hard choices. **Williams:** They don't have to be drastic where we are laying people off. **Thompson:** We can scale back and take baby steps. If you want to aggressively get there, it will take more than 2%. **Warren:** The Councilperson is asking to see the plan. We can use the method scaling it down for now. **Hardin:** In your personal life you buy a car with five years of payments. You pay it off, then put that money into savings. We never did. If we keep going the way we are, we will never get there. I have to commend Candace on her persistence. We are not asking you to make it happen. We just need your input to get it started. We need a timeframe. This is an excellent time based on where we are as a country. **Williams:** They all have to make budget cuts now. We don't have the full budget because of Covid. Ask departments what they can cut realistically. **Hardin:** Without cutting services. **Thompson:** Ok. **Williams:** We won't get to \$1 million next year. **Thompson:** I hear you. I will come back with recommendations. **Warren:** You won't have a lot of smiles either. **Williams:** It goes back to doing the very thing you talked about. We don't have to lay people off. We want to have the funds in the event of an emergency.

New Village Hall

Hardin: I want a new city hall. **Thompson:** I took the initiative to see what it would cost for \$1 million. If we borrowed \$1 million, it would cost us \$57,427.87 at 3% interest over 25 years. If we built a \$10 million Village Hall, it would cost \$570,000 a year in debt service payment. **Warren:** We built a Fire Station for \$640,000 a long time ago. **Williams:** With new projects we can use revenue for new income. You wouldn't have to cut anywhere. **Thompson:** Correct. **Warren** addressed the three new developments. **Hardin:** This handout puts in prospective what we can do with some of those new funds. **Warren:** I want to see what the projects will be. **Williams:** I'd like you to look at property. **Warren:** The Engineer already told us we have enough room to build behind the current Village Hall.

Engineer Salaries

Thompson: Engineer gave me salaries, not the contract itself. **Hardin:** No increases? **Thompson:** Correct. There are only 11 more funds in the general fund. We should be able to go quickly through the remaining funds so we can get through them by year's end with a full budget. **Hardin:** So, we passed a quarter budget until March. **Rogers:** When will the September Finance report be ready? **Thompson:** We are closing that out. **Warren:** Before our next Council meeting, he will have it. **Rogers:** Will that be in person? **Warren:** Yes.

Microphones

Williams asked about the microphone system. **Thompson:** These are from Rock the House. **Rogers:** This is the worst virtual meeting for me. Everyone is breaking up and I have a hard time hearing. **Williams** suggested checking into the Board of Education regarding what they use. **Clerk** will check into it. **Warren:** I use Webex with 80 people on it and it works fine. He suggested using the iPads in the meeting. **Hardin:** Social distancing isn't working for me. **Williams:** There has to be one person per table. Are we doing the first and third Tuesdays for Budgetary hearings? **Warren:** We need at least one more non-Council day. Council and Thompson decided on November 3rd at Council Chambers and November 17th as well. **Williams:** Then job descriptions, healthcare, contingency budget, and the FOP contract. **Warren:** The next full Budgetary hearing will be October 20th, then November 3rd at Village Hall. **Sanders** stated she will be out of town October 20-24. **Warren** will be out of town October 25-30.

Adjourned 7:28pm

Adopted _____

Debra L. Hladky, Clerk of Council

Johnnie Warren, Council President