

VILLAGE OF OAKWOOD  
COUNCIL FINANCE MEETING MINUTES  
January 26, 2021

ATTENDED

Johnnie A Warren – Council President

Brian Thompson-Finance

Elaine Gaither – Council-at-Large\*

Eloise Hardin-Ward 2

Melanie Sanders – Ward 3

Patricia Rogers – Ward 4

Candace Williams – Ward 5

ABSENT

Chris Callender-Ward 1

Mayor Gary Gottschalk

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Meeting opened at 6:06 by Warren  
Pledge of Allegiance recited

**Thompson:** Council should have the big monthly report. **Clerk:** I did not receive it until late this afternoon, and it was too large to email. I didn't get it into Dropbox in time for this meeting. Those who wanted it in printed format have it.

**Thompson:** We will review that once everyone has that. The majority of that is in the General Fund with \$319,852 in January, ending the year at \$327,611. **Hardin:** What were we down due to Covid? **Thompson:** Approximately \$850,000. About \$550,000 was from net profits from companies and the balance is straight income tax revenue. You can see the comparison on the summary report. Revenue Budget Report is the name of the document. You also have the 2019-2020 comparison as well. **Clerk:** That was emailed directly from Brian. **Thompson:** Correct. Some Council stated they don't see it. **Hardin:** These figures are critical based on the amount we lost. Can you tell us what we should have and make sure everyone has the documents to review timely. I am open to recommendations. This is frighteningly low to start the year. **Thompson:** That has been our average over two-three years. As we discussed we should have \$300,000-\$600,000.

**Hardin:** Maybe I am missing something, what account does this balance relate to. **Thompson:** All General Fund operations. **Warren:** The point is, even through the pandemic, the fund balance increased a little bit rather than decreased. The year end summary made a net difference of \$558,630.78. **Thompson:** Yes. That relates to cash in the bank. **Warren:** That is what threw me off, we weren't talking specifically the Cash Fund, but the overall balances was always around \$500,000 which equates to a plan to try to get that up. On the second page of the summary sheet which contains the reconciliation of Oakwood Village bank accounts has listed \$558,630.78. **Thompson:** Yes. **Warren:** Then you take out the funding. **Thompson:** Those are adjustments for deposits in transit. That is a true final cash balance year ending 2020 in all funds. **Hardin:** What are the minuses? **Thompson:** There are a few deposits in transit. The deposits dated the end of December but hit the bank statement the following year. **Warren:** They are taking credit for money before they get it. **Thompson:** No way. Those are dollars that came in year end but with the holidays, the deposit showed up on a January statement. The reconciliation shows that. **Warren:** You made the deposit in 2020 but they didn't hit the statement until 2021. **Thompson:** Yes. **Hardin:** Now I understand. **Warren:** Total funding balance for 2020 and ending are what? **Thompson:** All fund totals began with \$498,576 including special funds and General Funds. Ending balance all funds is \$558,630. **Hardin:** What do you use to factor your bottom line? **Thompson:** That is \$558,630 we are discussing. That is General Fund and special operating funds for special purposes; Rec Fund, Sewer Fund, SCMR, etc. **Hardin:** This is the bottom line. **Thomson:** Yes, even with Covid. **Hardin:** We will have to give you an at-a-boy. **Thompson:** The challenge isn't over yet. **Hardin:** The objective was to have \$700,000.

*Premier Funds*

**Hardin** asked about the \$1 million. **Thompson:** I am optimistic on the Premier deal to close within 30 days. Once they pay us the \$1 million and carrying costs, we can take that note off our books. **Hardin** asked about carrying costs. **Thompson:** About \$75,000. **Warren:** Are there bonds fees for this? **Thompson:** They aren't really on the high end. I can get back with you on the breakout. **Warren:** We are charging them that as well correct? **Thompson:** Yes, it is in writing. **Warren:** We will get everything back we put into it. **Williams** asked about documents for that. **Thompson:** I am open to

any upcoming date. We have to get the hard copies to everyone. We will then move forward. **Williams:** Do you have a date in mind for the 2021 budget? **Thompson:** We have a timeline to do that by March 31<sup>st</sup>. If you want to go from department to department, we will have to plan those meetings out. I can get with Debbie on dates and poll Council. **Warren** suggested taking what we had last year, what we proposed based on 2020 taking ¼. If you propose any changes at year's end, just darken those numbers which may have changed including net totals. We can then compare one page to the next including a summary of what was changed. That will be the easiest way to do it. He asked Thompson to prepare November, December, January summaries compared to 2019 November, December, and 2020 January to review. We ended up surprisingly with an increase which is an additional \$60,054.60. **Williams:** I want to make sure we make a priority, so we don't end up with it on a formal meeting to review. **Warren:** That is why I asked him to simplify it so we don't have to go through the entire budget, but just to review those items which may have changed including revenue streams. **Hardin:** We spent a lot of time in each department. I understand this is a year like no other. Is that why you suggest doing the percentage again? **Warren:** I am not saying that. I suggest, since we don't know what our revenue will be, we will take 25% which was \$2,500,000. He has time to give us a 2021 budget to approve. It may end up being \$9 million. We are asking him to show us what changes may be from the proposed 2021 full budget. **Hardin:** This is a supplementary budget to look at? **Warren:** I want to look at proposed changes. He may reduce amounts of the budget; he will review it. I just suggested how to present the changes in bold. **Thompson:** We also need to expeditiously propose the dates. **Warren:** Do you expect any changes to the budget. **Thompson:** Everything we reviewed for 2021, I scaled down by \$750,000 already. I am confident it will be close to those numbers. I will evaluate those core numbers from RITA. **Williams:** I am talking about proposed 2021 budget in which we only approved 25%. If you foresee any changes in that budget. **Warren:** That is what I was asking. **Thompson:** That is why we approved the 25% so we could go back and review that number. **Williams:** You need the revenue numbers, correct? **Thompson:** They go hand-in-hand. The expense projections is based on the RITA projections. **Williams:** Are you anticipating changes to the 2021 budget? **Thompson:** There could be. **Warren:** I want to know how long it will take to put that information together. We want to get this budget passed way before March 31<sup>st</sup>. **Thompson** projected end of February. **Warren** asked when he can have the full 2021 budget. **Thompson** asked to meet the end of February to discuss it, having that to Council by February 19<sup>th</sup>. **Williams:** I want to be sure we don't get documents on a Friday when we meet on Tuesday. We need more time than that. **Thompson** asked if one week is good. **Williams:** At least that if not two weeks. **Warren:** If it is as simple as, him making minor changes, don't you agree? **Williams:** I do and I don't. We reviewed the numbers months ago. I am not sure what questions I will have after I receive the proposed revenue for 2021. We may see numbers that are off due to the proposed revenue. We need time to digest the information in the midst of a pandemic and how it will affect our budget. **Warren:** We are going to review his projections. **Williams:** I am saying, I want him to project the revenue and the budget to balance the two. We don't know what the pandemic will continue to do with our budget. **Thompson:** The Mayor is expecting net profits from life-science companies coming regaining at least ½ the net profits we lost in 2020. **Williams:** We expect those in 2021? **Thompson:** Yes. **Williams:** Will you have those numbers for us too? **Thompson:** Yes.

### *Contingency Budget*

**Williams:** Will you have a contingency budget? **Thompson:** We don't really operate on contingency budgets in government funding. Once we get the budget, I certify it to the County. It may not make sense. We can accomplish that in the end by making changes to the projections in 2021. It should impact the General Fund. **Williams:** I am confused about that. We haven't been operating on that but if we are trying to move toward that. **Thompson:** It is never a requirement to certify a contingency budget to the County. We did a temporary budget and by April 1<sup>st</sup>, we will have a full budget to the County. They won't come back to me asking for a contingency budget. If we make amended changes throughout the year forecasting, we can certify that to the County. **Williams:** I think you are missing my point. Contingency budget is when we have a shortfall the Village has funds not allocated but specifically for emergencies. That doesn't tie into the certified budget to the County. I am talking about the budget plan for the future. We have been talking about it for some time and we just need to work on that. **Warren:** How do you make a contingency budget on things you don't control? **Williams:** In the beginning, Brian looked at recommendations of Village budgets for our size and what to have as a contingency budget. That is a good start. **Warren:** That is where we are right now. **Williams:** How do we project getting to that amount over the next several years. Just because we are trying to find the information, doesn't mean we actually have the contingency budget over the next several years. **Warren:** A contingency budget isn't contingent upon anything based on the pandemic. You don't know how many businesses will be in Oakwood that were part of our budget historically. How many new businesses are going to be produced? You can have a contingency budget, but we aren't even in a position to base our revenue and budget on that. We only have control over what expenses we have but our revenues, we aren't. Our revenues, at least 68%, are based on payroll. **Williams:** That has nothing to do with creating a plan for how you build a contingency budget. **Warren:** We have to review and put together a five-year plan before we can see a contingency

budget, contingent upon our five-year plan. **Williams:** We talked about that two years ago so now you are telling me we should wait a few more years. We can't keep doing this. **Warren:** We don't know how much money we need unless we know what we plan to do in the future. **Williams:** A lot of government entities do this. This is not new. How can they do it. There are best practices about how to do this. It isn't our job to know the details of that, but governments do this all the time. This is not a foreign idea. **Warren:** Good.

*Job Descriptions*

**Williams:** I have a few more things. Can you make sure we have all the job descriptions Brian? **Thompson:** The last one I gave you was the Building Dept. I am waiting on our EMS/Paramedics. I will review the check list to see which ones you may not have gotten and follow through. I think there are only a couple departments.

*HealthCare Team*

**Williams:** Do you know where we are with the Health Care team. **Thompson:** I did get some information over the weekend for our claims. The next step is the comparable analysis for communities and plans. A lot of communities are involved in their year-end process. I would say a couple more weeks for that exhibit. **Williams:** Thank you. We never got the full Covid-19 budget. Can you send that to us? **Thompson:** I sent it to Council before, but I can print it out in hard copies and where we are.

*Transparency*

**Williams:** Considering the GFOA best practices, can we post our financial documents on the website? **Thompson:** That is voluntary. We have a lot of transparency now with Standards and Poor. We have our cash reports certified by a CPA firm to the state and audits which everyone can review. We have the 50-page report which can be obtained. It is voluntary for the GFOA. We have a lot of transparency in place. **Williams:** What will it take to get our financial documents, especially when we have meetings for the community to review documents we are discussing, on our website for more transparency? **Thompson:** I am open. We do display them in the hallway. We can scan those to be pulled up monthly for our financials. **Williams:** Ok. **Thompson:** I will work with Debbie on putting that on the website.

*Finance Meetings*

**Clerk:** The Human Resources Committee finished their overview. We are waiting for Law to come back with the final document. Ms. Hardin if you could chime in on this please. I believe it will take a few months for him to review that. Is that right? **Hardin:** Yes. **Clerk:** Could we use the upcoming 6pm meeting prior to Council usually held for HRLMC to review financials while we are waiting for Law to review those documents? **Hardin:** Absolutely.

**Hardin:** I like to make it a matter of record, our condolences to the Fire Chief on the passing of his wife.

Meeting adjourned 6:58p

Motion to adjourn made by Rogers seconded by Hardin.  
6 YES: Warren, Gaither, Hardin, Sanders, Rogers, Williams  
Adjourned 6:58pm

Adopted \_\_\_\_\_

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Debra L. Hladky, Clerk of Council

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Johnnie Warren, Council President