

VILLAGE OF OAKWOOD
COUNCIL FINANCE MEETING MINUTES
September 28, 2021

ATTENDED

Johnnie A Warren – Council President

Brian Thompson-Finance

Elaine Gaither – Council-at-Large (late)

Eloise Hardin-Ward 2

Melanie Sander-Ward 3

Patricia Rogers-Ward 4

Candace Williams-Ward 5

ABSENT

Chris Callender-Ward 1

Gary Gottschalk-Mayor

Jim Climer-Law Director

Meeting opened at 6:10 by Warren.

Pledge of Allegiance recited, and attendance taken.

Thompson: Thank you, Mr. Chairman. Tonight, will be discussing the summary form in your big packet of financials a couple weeks ago. The summary, in front of you, shows the ratios where we should be after 8 months of the year. That ratio is a 66%. The sheet summarizes where we are year to date with revenue and expenses. Through 8/31/2021, we were at \$5.9 million which is at a 6.3 ratio. Pretty close to our favorable ratio for the year. As we look down to our expenditures, I normally have these highlighted in yellow but didn't get to put it for the areas that were above ratio or at ratio. Overall, we had a .62 for all categories. I looked through the summary of each category. We were falling in line as I moved throughout the end of September which will pretty much end my quarter as we approach the last quarter of the year, I am evaluating the contract of utilities which is .7. Robert's Disposal which is at .76. **Hardin:** Can we go right to the 3 big ones? **Thompson:** The 3 big ones which will be the utilities. I am going to have to make an adjustment as I move toward the fourth quarter of the year. The H/B Operational Contractual, that one is pretty high. As I evaluated it, it was pretty much health claims that we had incurred since 8/31/2001. I will be meeting soon with the record of agents because we are due for our quarterly meeting. We are due for a stop loss reimbursement that will impact this number and potentially offset what it is for the year. **Hardin:** How soon would you match up these figures? **Thompson:** Every close of the month. When we make our projections, you are talking about in instance of the health care? **Hardin:** Yes.

Thompson: We make our projections at the first of the year based on claim history. That is where we set our appropriations initially. Naturally, throughout the year you will have the insurance conditions of different individuals that we cannot predict. We monitor it monthly; we have a quarterly meeting and that are the times when we will look at it.

Hardin. Will we be entitled information on how many COVID cases we have had here? Is that public information?

Thompson: I am thinking right away that you cannot disclose name. But I am sure they will be able to give us information in a summary form of how many cases we have had. I will check with him and see. I don't think that will be a problem to just get some general numbers for our staff and full time on the role. **Hardin:** Whatever would have affected this line. **Thompson:** I can get it to you in a summary form. **Hardin:** How soon are you going to do the stop gap adjustment? **Thompson:** I am meeting them in less than 2 weeks in the first week in October. **Hardin:** And again, why are you meeting them? **Thompson:** We keep a quarterly assessment on claims. They always come in and give me a review. A comprehensive report on where the claims are going by age, category of claims, how they fair up to our projections. They go over the discount I receive in terms of payments for the claims. It is a pretty in-depth report that they provide me. The one they give me has a lot of HIPAA information they share with me, and I am not publicly disclosing it. But we have claims every week. I have to review and approve claims in house every week. So, they send them to me every Wednesday. We look at them as a whole with the agent on a regular basis. **Hardin:** Why would you not approve a claim? What makes you the authority-I am not being smart. What's your criteria? **Thompson:** When I look at the claims, I look at the level or the expenditure. I had a claim that came in that was pretty exorbitant and I knew I shouldn't be expending that claim because it should have gone to stop loss first. So, that is the first thing I look at is those large claims that we shouldn't be expending upfront and should be paid by the stop loss carrier. So, sometimes i periodically may catch that condition. They will go back and say, "oh yeah, let me reach out to the carrier." They will make that correction, so, that is just one example I may see when reviewing claims. **Williams:** Do you have specific

criteria that you follow every time or is it on a case-by-case basis? **Thompson:** Pretty much every time. I look at the level of the claims. **Hardin:** When you say the level, is that me as an individual or the overall claims for that quarter? And if so, are you denying it? **Thompson:** I can't really deny the claim but I can deny the funding of the claim. **Hardin:** So that means it will go to stop gap? **Thompson:** If it goes over our \$35,000 threshold for one individual. **Hardin:** What if it's not? **Thompson:** If it is not, then I just evaluate the claim for its eligibility, sign off the claims eligibility list and forward the claims funding back to the company. **Warren:** Part of the eligibility is the eligible dependents or entitlements for the persons who are.... **Thompson:** You have the main primary person who is here at the Village and then you see the family. I look at some names that seem out of the ordinary, but you can have a family member that may be with the family but does not have the same last name. So, it's different criteria to look at when you are looking at the claims. **William:** Can I ask a different question? **Thompson:** Sure. **Williams:** I may be interrupting but I was just going to ask. Of these 4 that are over the .66 ratio, how many do you expect to go over budget by the end of the year? Are there any that you project that will not come back down or level out? **Thompson:** Definitely where the claims are. But I have to get that assessment on how much they are going to reimburse me on stop loss and then I can make an adjustment. What is going to happen is when I evaluate the adjustment, this is another category. A lot of the transfers in my general fund, they won't be processed because we had a lower-level transfer for our senior programs, our recreation, and things like that. So, I won't need that level of appropriations. But any changes that I make will come before council like we do every year with our budget process. Did that help? **Williams:** Yes. **Thompson:** Okay. Any more questions Ms. Hardin? **Hardin:** I am at lands and buildings. Is that not unusual that it's over or it's just at this point and time. **Thompson:** At this point and time, I did make projections at the beginning of the year. As we go through, we reached out to the individual who manages our electric and apparently, we did have some type of surges going on our bills that we detected. They have already process party of our refund already but as we move to the next month or so as they investigate, we will be receiving some refunds back. That had an impact on it. We had a meeting, and the surges caused our bill to be out of the ordinary. They did identify them so we will be receiving some large credits. I received one for approximately \$9,000. Our bill monthly it usually \$12-\$14,000. So, I will be evaluating that as I move to close out September and move out to the final quarter of the year. **Hardin:** Mayor's court is unusual. What happened there? **Thompson:** Mayor's court has gone over slightly. The collections have been going up and when they more they started going back up, they more they started getting back in motion from COVID. So, the expense from that started going up a slight bit. It's only about 2 over, but that is a good thing because we are collecting more revenue and I have to make some adjustments for the Bedford Court costs. **Hardin:** Being back in session? **Thompson:** Yes. So, overall, you can see, we are at a .62 which is below the .66 of the favorable ratios. **Warren:** Rubbish disposal is pretty much on point because it is quarterly, and we are coming into the last quarter. It should be .75. **Thompson:** It should be in line as well, but when you look at it from that respect that is about $\frac{3}{4}$ worth with the .75. **Warren:** It doesn't have as many variables as other expenses as it relates to insurances and employees.... **Thompson:** It is pretty much set on collection and the contractual amount for the village. **Williams:** I don't follow that. It's supposed to be a .66. **Thompson:** That is the favorable ratio, but he was looking at it as a quarterly basis. So, we are moving toward three quarters of the year at .75. **Warren:** It's more of a contractual thing than some of the other ones. **Williams:** So, it will balance out. **Thompson:** At year's end. **Hardin:** The reason I am asking about this COVID, if we are here and it is not the end of the year yet, and COVID is not going away, I am wondering if there is anything we can do to offset this healthcare; this percentage as these cases continue. If in fact that is what it is, that is why I am asking. **Thompson:** You really can't really control the cases. Actually, without giving out too much information, it is really not related so much with COVID. These are some major things that happened with spouses and individuals working here that caused the expenses. **Hardin:** Oh, so you already answered me. So, this is not COVID. These is large claims. **Thompson:** Yes. And it comes into play with our stop loss reimbursement. That is why I am meeting with the record of agent the 1st of October, so we re-evaluate those reimbursement that are due back to me. We have to fund the claims up front. On the accounting method, I have to record those on the books. But as I receive those funds, then I will be able to raise those appropriations and adjust for the rest of the year to level out the total appropriations for the general fund. And it will come into play as well as evaluating the other departments. Like I said, those transfers we put to support our senior and rec programs. A lot of those didn't happen again this year because the Mayor did project the level he was going to spend, but that didn't happen due to the outplay of COVID still with us this year. **Hardin:** Without making too much out, once we go into the council meeting, I just want you to kind of remember what we are talking about right now regarding healthcare costs. Because I am going to have a question.... **Thompson:** The healthcare. **Hardin:** And maybe this will help you answer my question. **Thompson:** Okay. **Williams:** I will ask a question now. Last year we did that analysis where we offered the most generous health care plan among 79 communities. Did they break that down and show us if our-so you said, we had a max of \$35,000 and then it goes to stop loss, right? Do we if our maxes are also generous and can they give us comparison of those maxes, where we fall in the range? **Thompson:** I know they can identify for us. They call those targeted. Not so much maxes but they can identify them for us. **Williams:** Can we get an analysis on that? **Thompson:**

On the large claims? **Williams:** Yes. **Thompson:** They borrow every year, but we can put a range and very vague information that doesn't cross over into HIPAA laws. We can get that together for you. **Warren:** Question. Even though, it is not a violation of the HIPAA laws to know exactly or near about the number of insurance claims are COVID related, is it? **Thompson:** I don't think so. They give me a nice summary sheet without names showing cases. **Warren:** The question becomes to me; wouldn't it be consideration or appropriate consideration to offset those expenses with the COVID money we are getting? **Thompson:** That is a question I cannot answer right away. **Warren:** Find out about that. If we are getting COVID money in, and it identifies a lot... **Thompson:** COVID cases. **Warren:** ...the ways it could be expended, can it be expended to offset the costs for the insurance for the people who got COVID? **Thompson:** Pretty much strictly related to COVID. **Warren:** Strictly related, not pretty much. **Thompson:** I have these topics and tasks put to work with our record of agent when we meet about the healthcare issues. And I will remember the issues once I get into the council meeting. **Warren:** Will they know that particular question? **Thompson:** I will contact Ohio Budget Management for the COVID question to offset with the funds. And I will get the insurance information from our record of agent. So, I will be reaching out to two entities. I have a contact person at OBM that I talk to. **Williams:** I would like to know if there has been any recommendation on if that is a good use of public funds. The ARPA dollars or the COVID dollars. **Thompson:** For that type of usage? For the COVID related. **Williams:** Yes. I would like to see if they had any recommendations. **Thompson:** As we move to this report, I did kind of jump the gun. I provided a lot of nice literature. The National League of Cities put out something which is in front of you, in the COVID guidelines as we are dealing with what we are dealing with tonight. I provided a lot of well not a lot-some articles across the country showing about the premium pay. I didn't want to bore you but I have a whole compliance manual that Christine can provide to everybody. It's pretty thick. The NLC is really good summary sheet of COVID uses. Then, you can look at some of those articles where different communities across the country who made these types of payments. **Hardin:** If you follow through with what we have, is that taxable money? **Thompson:** They are not classifying CARES money as taxpayer money. **Warren:** She asked taxable. **Thompson:** Oh, taxable? Yes, it is through state and city, so you have to pay the taxes on it. But it is not subject to pension. Federal, state and city will be taken out of those payments. **Hardin:** And can you decline receiving these payments? **Thompson:** You know that's a good question. As I looked up the literature, they did include the range of who would get these payments and they had some individuals who opted to decline. **Hardin:** So, we can decline individually? **Thompson:** Yes. We didn't go over the second sheet, but it is pretty much the summary where your senior, recreation and SCMR funds are throughout the year. Pretty much all those ratios are in line. The SCMR funds are off by 3%. But actually, coming into this month, we have been waiting on a lot of large reimbursements from the county from our street resurfacing, maintenance, sewer projects and Dominion projects. I did start getting a lot of reimbursements back for the street projects that our engineer was working on in approximately \$125,000. I am doing another \$200,000 reimbursement that will be coming back in a couple weeks from the county. **Hardin:** What was the work they did down at Forbes at the transportation.... It's done now. Do you remember ***inaudible***? **Thompson:** It was a big project. I forgot what they replaced but it was really dated. Not the transfer station but the..... I forget the name of it, Johnnie. Pump stations. **Hardin:** Yes, pump stations. **Thompson:** Pump stations, yes. **Hardin:** Remember what it did, they had to force everything in a different direction. It was a major.... **Thompson:** Yes, definitely. We get reimbursed 100% for that one. Okay, I can entertain any additional questions. I was going to go through this. I provided you literature about the premium pay. I, also, I am going to speak briefly about a couple of pieces of legislation that I have on for tonight. **Williams:** Before you go into that, our senior recreation fund. These funds can be redistributed if we need to realign to cover this.... **Thompson:** It's really not like their funds. We always support the funds the senior/rec from the transfers approved by council from general to support these funds. So, we can redirect those transfers. **Williams:** You can or cannot? **Thompson:** Can. **Williams:** Okay, because I see where we allocated, and we are nowhere near. **Thompson:** Like the street fund and the rec fund? If you remember, the Mayor kind of put funds back to where he anticipated his programs were going to be this year. Some of them didn't transpire. A couple things I had for tonight. An annual piece of business on these tax rates. It usually comes after the tax budget. I am kind of bouncing around, but you can peruse through the information I gave you on the premium pay. The NLC gave a really nice...the National League of Cities is one of trusted places, gave us some guidelines on premium pay. Tonight, is the noxious weeds legislation with the list provided by Tommy to submit for special assessments to put on properties. There is an exhibit attached with addresses and the amount of work that he was doing for those properties so I can put the assessment on there. **Williams:** Can I ask about the specific legislation for some of the lease equipment? **Thompson:** Yes. **Williams:** We already approved the whole package. Are you just giving us pieces of equipment every time you add them to this? **Thompson:** No. When we did the big pieces, there were two left off. Straightforward from Tommy, it was a power washer that heats up. Normally they don't heat up, but he had one that heats up. And the fire department had a Tahoe. Part of the protocol from the bank, we did not have that included in the initial legislations. So, those came back to be added because we did have the threshold to include them in the lease. The way the interest rates are now, it's very, very cheap. But the straight answer is we did not have them on the initial list. **Williams:** What is the approximate

amount of those two? Do you recall? **Thompson:** The Tahoe is about \$35,000 for the fire department. **Sanders:** \$37,900. **Thompson:** Okay. \$37,900 and how much on the power washers? About \$7,000?? **Sanders:** \$5,936. **Thompson:** So, what did you say, 49.... **Sanders:** \$37,900 and \$5,936. **Thompson:** Okay, so those are the two. We have some time left, but I can entertain any other questions? **Hardin:** Are you aware of any monies coming in from the Premiere project? **Thompson:** On the Premiere project? **Hardin:** Yes. **Thompson:** As always, the Mayor is optimistic. He spoke to me today and he felt they were narrowing down. I can't answer to anything particular, but this Project Crunch looks like is going to be the deal to occupy those 30 acres. I know they wanted a different company, but they seem to be ironing out the incentive package on the TIFs, the CRAs, the agreements on the schools in terms of the long-term compliment of the million dollars back to the village for the rec programs. But he seems to very optimistic on the Crunch deal. I am not sure what that will transpire as we move into winter. **Warren:** There is a good chance that 9 times out of 10 we are not going to see any revenue until 2023 at the earliest. Because by the time they construct the building and start moving the people in, and then start paying payroll taxes, it's going to be September or October of next year. Which throws any realization of significant revenue from payroll will probably 2023. **Thompson:** It will be assumption that Interstate McBee is moving much faster. So that could be a year ahead of time. Over there where John's Trailers used to be, they are moving pretty fast. **Warren:** And that is a company that is relocating.... **Thompson:** From Cleveland. **Hardin:** Is the Mayor going to be here tonight? **Thompson:** Yes. **Warren:** But the key to that if there is any key at all, they are changing the zoning of the property from residential to general business. If it was becoming residential and some development puts something in there, then those would have been more houses we would have had to service with trash, snowplow and everything else *inaudible*. **Thompson:** And the house would have provided much less and the school would have receive 60 some percent. **Warren:** And 68% of our revenue comes from payroll. The more payroll you generate, the more *inaudible*. **Thompson:** If there is nothing else, that concludes my report. ***Numerous inaudible conversations*** **Hardin:** Where is VET center? **Thompson:** Oh, that is the old Nappa parts place. That is where that place is going. I forgot the timeline. **Williams:** What vehicles does the fire department currently have? **Thompson:** With some of the new purchases, we already had the HAZMAT vehicles, this will be their first Tahoe. They normally have a couple Explorers. We bought them a couple new Explorers. You have two fire inspectors; they utilize the Explorers. We have a big F-250 that pulls the HAZMAT vehicles. I don't know if you guys have ever seen but we have a aquatic machine that goes in the water. We used it a couple time at Walton Hills. We had a couple residents that lost their memory and they had to rescue them in a swampy area. Other than the squads, the fire trucks and the ladder truck as well. **Hardin:** Tonight, we are going to pass legislation, hopefully, the employees handbook. What have you done to finance the *inaudible*, have we allocated money? **Thompson:** I have not had any dialog with the law director. He is pretty much on that project and completed it, right? **Hardin:** Yes. **Thompson:** Are you talking about costs of reproducing and giving it to employees? That may be able to be done internally. **Williams:** Electronically? **Thompson:** Submit to individuals? **Williams:** I would think we can do it electronically. **Thompson:** I am sure in this day and age we could. Post it to the website. **Williams:** I mean if somebody specifically requests it. **Thompson:** Give them a hard copy. Have them sign off that they got it. **Williams:** But is there going to be any type of employee training in regard to changes? **Thomson:** As it relates to that handbook? That has not been discussed at this point, but I am sure it's going to be a great document to explore that. It has been a long time since we updated our handbook. **Hardin:** Yes, and this is how thick it is. **Thompson:** I seen it. Christine gave it to me. It's a nice piece of work. Good document. I have been perusing through it. It was definitely needed to be updated. Been a long time. **Hardin:** This council had a hand in making it happen, we want to follow through. The fact that we have it, we want to make certain that all the old information is gone, and we want to make a decision on how it will be used and disbursed. **Thompson:** What were your thoughts about costs of distribution? **Hardin:** *inaudible* **Warren:** *inaudible* We don't want anybody to challenge that have been changed that employees are not aware of. If we have some notes as it relates to the changes, each department should have a staff member review those changes in the handbook from how the handbook was before. We don't have to have employees falling back on the old. Make it their due diligence to read it but these are the highlights. ***multiple voices-inaudible*** **Hardin:** Well maybe we shouldn't talk about this now. It was only mentioned because of the finance. Let's wait till we are in regular session. But if we have to publish, some idea of cost and if we thought of allocating. **Warren:** Can't we run it off in the copy machine? **Williams:** Well I was going to say, I mean, in this day and age, they have this thing called 'docu-sign'. It's uploaded into this app and you can sign electronically. **Thompson:** It is probably minimal steps we are looking to take and minimal expense to do those things. **Hardin:** We can talk about it in the regular session. ***inaudible*** **Thompson:** Can we adjourn this meeting? **Warren:** Can I get a motion to adjourn?

MOTION TO ADJOURN by Rogers; Seconded by Gaither
VOTE YES: Warren, Gaither, Hardin, Sanders, Rogers, Williams
MEETING ADJOURNED: 6:48pm

Adopted _____

Christine Morgan, Clerk of Council

Johnnie Warren, Council President