

VILLAGE OF OAKWOOD
FINANCE MEETING MINUTES
August 23, 2022

ATTENDED

Johnnie Warren-President
Elaine Gaither-Council-at-Large
Chris Callender-Ward 1 (Late)
Paggie Matlock-Ward 3
Mary Davis-Ward 4
Candace Williams-Ward 5 (Late)

Brian Thompson-Finance

ABSENT

Eloise Hardin-Ward 2

Gary Gottschalk-Mayor
Jim Climer-Law Director

Meeting opened at 6:05 by Warren

Pledge of Allegiance and attendance taken.

Thompson: If you want to dive into July and look at summary of the reports that you were provided with the detail. We'll look back and entertain any questions you may have. What we are looking at is a normal summary report of how the July financials turned out. The favorable ratio for 7 months is 58%. Year to date revenue for 7/31/2022 we were at 59% so a little higher. We had a little more than \$6 million. As we look at the expense portion, I had 3 that was a little out of line, but I have some explanations of what was going on there. You can see police (51%) and fire (55%); school guard at 36%; dog warden at 48%; auxiliary is at 25%; miscellaneous contractual utilities at 47%; building at 46%; service at 51%; garbage disposal at 58%; council clerk is at 62% which is higher than 58%. When I looked into the detail there was an error for some postings from council. Council members pay was posted to hers so we don't do expenses until the next month. That is why she was out of range. The council is at 45% but naturally that is going to go up when I move those expenses where they should be. The Mayor is at 48%; Mayor's court at 51%; finance at 56%; legal admins at 63% was a little higher than the ratio. Just looking at the billings, he's been doing a lot of work on the Premier deal; a lot of Interstate McBee. Some of these major companies that we have been dealing with his consultations with the Mayor. His is a little higher, but we will keep an eye on it to see if it levels are off in terms of what he projected for the year.

Davis: Because we have a cap on this, correct? **Thompson:** Yes, they are allowed so much. The engineer was 52%; the public, land and buildings which is a nice majority where we pay some utilities there. We are definitely experiencing higher utilities on the gas, lights which is kind of going on in the industry. **Warren:** Are you saying these utilities are just regularly over the cost from this year to last year? **Thompson:** Yes. The 67% is the ratio where we put the budget this year. When we evaluate, we usually see historical over the years when we set this budget, so the energy costs are going up. That's what's causing these to go out of range as well. **Gaither:** The inflation. **Warren:** Maybe we will see in the fall when traveling is less. The guys are driving less as far as maintenance for the roads. But it will increase if we get a big winter.... **Thompson:** These utilities here are more gas bill, light bill; utility bills. **Davis:** The lands....

inaudible-multiple conversations **Thompson:** We we've got the park. **Davis:** So, these are just utility bills. **Thompson:** Yes, the majority of it. Senior vans are at 48%; Bedford school and summer employment is a one-time payment, so that will stay at that ratio until we make the payment to Bedford schools. The Board of Commission is at 40%; HB operations where we pay a lot of healthcare and things like that is at 47%. So, overall, we are at 50% which is well below the 58% through that far in the year. Year to date, we received well over \$6 million, and we spent \$5.125 million. That is the general fund snapshot. You always ask for the senior and the rec fund. Their ratios are in range except the SCMR. The recreation fund didn't really kick off until June or July so now you're starting to see some of these expenses in here. I show the revenue for the senior fund year to date, and you know we subsidize that with transfers to the fund throughout the year. That's why it's minimal income in there right now. The rec fund as well. The SCMR, we collected \$328,000. The senior fund we had \$39.8 in expenses and the rec fund definitely went up as we got through July \$127,000 but it is still in range of the budget that was put in place for \$280,000. **Warren:** The senior fund; senior 208? **Thompson:** Yes. **Warren:** We projected the revenue to be \$127,000 but that is what we feed that fund from the general fund? **Thompson:** Yes. **Warren:** Now it says year to date, so we haven't transferred any money? **Thompson:** Correct. **Warren:** Is there any reason why or we just wait till the end? **Thompson:** Just like the rec fund, I usually like for him to get through some of his programs before I make the transfers. We have them scheduled in and it's approved by the

budget. So, probably next month's budget, I'll push some transfers down to equate against the expenses he's got in the fund. **Davis:** The rec department summer program, they have all been paid, correct? The workers.... **Thompson:** Yes, the workers have been paid, but programs are what is adding a lot of the expenses. He may have had a couple of classes in August, but I think this is the majority of them we've had and it's coming in lower than what he budgeted for the year. The SCMR was \$732,000 at 60% which is a little higher than the ratio. A lot of times, it's contingent on the timing of the legislation that Ed will bring before you on a lot of reimbursements. We wait for a lot of the reimbursements to come back from the county and that will boost up the revenue against the expenses. It's not too far out of place but that just comes in line with the projects and everything we have with the SCMR fund. That pretty much summarized through July. I can entertain any questions. I know I had given you a whole host of information. I know Ms. Williams had asked for every single check that we cut from April to July. **Warren:** When we get this report, one of the things I was wondering is does this report reflect payables? In other words, on July 30th, all of the invoices that were submitted pre-July 30th, are all reflected as receivables in this report? **Thompson:** Not receivables but expenses. Cumulative throughout those months you will have the total. That check report can be all over the place. You have to pay attention to the account numbers where they charge. But the summary report will tie into the total for the department. Then, when you look in these blue books, each individual line with the salaries and the miscellaneous contractual, you can see the individual totals there. Now, those check reports will show you on a monthly basis by line item and show the detail. You can see everything. **Warren:** But they do report and put in the system. So, if somebody gets a bill, they put it in the system so at the end of July 30th, all of the invoicing that we received through the month of July are reflected in the report. **Thompson:** The majority of them. Some could come late to be paid, but department heads will have a line item on your report showing encumbrances. They will encumber dollars for future purchases as well. But the majority of purchases in that July that have been submitted will be on that check report. **Warren:** So, you're saying that they will do a projection of anticipated expenses? **Thompson:** Yes. Like Tommy, if he is looking for a service to be done, he will put in a purchase request with a quote. Ultimately, he will put in place a PO and then he will proceed with the work. Once he is done with the job, he will submit the final invoice and we will make the payment. A lot of those final invoices have been paid up through July. **Warren:** So, we don't move forward with an acquisition or a service without the support of a PO? **Thompson:** Yes, that is correct. **Warren:** And this way we can follow our encumbrances to see where we have committed ourselves from the 1st to the 30th or anywhere therein and know where we are withdrawing revenue. Now I was looking at the revenue report. The revenue report shows it looks like our revenues are as projected. **Thompson:** Yes, as what we already have in place. I always try to stay conservative. Over half of our dollars in that general fund are coming from income tax so we keep a close communication with RITA for those projections for the upcoming year. And that \$6 million is broken down into different categories. You will have to look through the report to see that. But we are pretty much on mark in terms of projection this year for revenues. **Davis:** Now that SCMR is way off according to this as how much we spent over what we thought it would be. The rec fund is the same thing. But you said we haven't gotten the bills yet for summer or is that including? It's like \$116,000 over where we should be at. **Thompson:** What happens is our rec fund and our senior fund they don't produce enough money to cover expenses. So, we always schedule in our budget process what's called a transfer and it's usually subsidized from the general fund. So, periodically as he moves through the year with those funds, even the SCMR. Ed will do a project, but I am waiting on the reimbursement to come back from the county and that is when I can post the dollars. But ultimately, the general fund makes the funds whole. So, with those rec and senior fund programs as he moves through the expenses, I will put transfers in and then it will make the fund possible. **Davis:** And you said you would take it from the general capital? **Thompson:** No. It all comes from the general fund, the top line. **Davis:** So, what is the general capital improvement fund? We are over on that budget too. **Thompson:** You will have to see the schedule of transfers, but the transfers on there, we pay a lot of lease payments out of there and the significant improves to the buildings, things like that. The majority of that is lease payments on a lot of cars; some vehicles we bought for the fire department. **Unknown speaker: (later determined to be Karen Howse):** In reference to, you provide them with a financial detail report? **Thompson:** Yes. They get a big book every month. I just put a more subtle reform on this sheet. **Howse:** I requested the statement of cash for even for this year. Can I get it from January to current? The statement of cash from which you do your summary from. Can I get a request for that? **Thompson:** Yeah, that was in your records request which we're working on. **Howse:** Just the statement of cash. **Thompson:** Do you want the one through July? **Howse:** Yes, so I can get one, do you have for January for this year? **Thompson:** Yes, I have one for every year for every month. **Howse:** That's what I am looking for. Even if you can give me this year from January to current, that would be great. I do have a question though. My question is how much subsidy do you provide for the general fund to these special revenue funds? In ascents like what I don't use like your debt obligation fund here. **Thompson:** Yes, that is in the 301. **Howse:** That is not in here so how much of that is in as far as what you appropriated and what you transferred over there? And then the other question is, did the village receive *inaudible-mumble* repairs that month? **Thompson:** Cares Act. **Howse:** Did you receive any American rescue funding or no? **Thompson:** Yes, we got the Cares and the American rescue fund in fund number 250. We categorized

that as Cares Act. **Howse:** Okay because I didn't see that on here either. Like how much you got for your Cares Act....

Thompson: This was kind of put together in terms of requests over the years how they wanted to see some of the reporting. But it's always in here. All funds are not on this summary report. You've got the general fund, the senior, rec and SCMR. That is the information they requested to see in the summary report. You always have to go back to reference the book to see all funds. **Howse:** Right. That would be most appreciated because what is not here is the one you presented for special revenue funds. What it doesn't show me is what is the beginning balance for each of these funds for your special revenue. I see you are calling it you named it 'set beginning balance for general fund is \$97,000; that was your carryover. What about on the special revenue fund? Because that means ***inaudible-mumble*** is making that the general fund is subsidizing some of these special revenue funds. **Thompson:** Right. **Howse:** So, in totality, how much do you subsidize...? **Thompson:** Well, all of them scheduled in for this year is \$835,000. **Howse:** So, you are projecting we are getting in \$10 million? **Thompson:** Yes. **Howse:** Budgeted at \$10.2 (million) ***inaudible-both Howse & Thompson*** ...\$800,000. So, what I am saying, what I don't know, and I guess it will tell me once you provide me with the information. **Thompson:** Yes. **Howse:** Because what it doesn't tell me is under the \$800,000 how much more additional do you subsidize? **Thompson:** Well, that's cumulative and I just mention to breakout here, but you can ultimately see it in the report. For bond retirement, we had \$345,000; senior fund \$100,000; rec fund \$175,000. **Howse:** What's the beginning balances on those? **Thompson:** Beginning balances of this and the general fund in general....

Howse: No, for 301. Just for the debt.... **Thompson:** The beginning balance for the year \$849. **Howse:** \$849 and you have a debt obligation of \$310? **Thompson:** No, the \$310 is to transfer in the difference between the revenue received.... Because what happens every year, we roll our notes, and we refinance our bonds to make the payments. So, the amount we pay versus ultimately what is going to come from the banks on the notes, that's just the transfer of the difference of the two. ***inaudible-Howse & Thompson*** ...thousand is pretty much the paydown that were doing on our notes. **Howse:** So, when you do your rolling of notes, you get money to replace and less the interest and the principal. **Thompson:** So, I guess my question is and the reason I am asking is, of ARPA and the Cares Act, you have that on a line, right? **Thompson:** Under Cares Act; fund 250. **Howse:** I think they should be separated; just check that. The only reason I am saying that is because I am curious to know what programs the village has done as far as using that money. Like, what are you using it for? Is it for your capital expenses? Is it for programs, things of that nature? **Warren:** Because those are restricted, too. It has restricted uses. **Howse:** It is restricted and that is why I am asking because the funds should be separate. It is required that one fund be separate from the other. **Thompson:** We have it separate. **Howse:** You said they were both 250 though. **Thompson:** Yes, it's reclassified as Cares Act. **Howse:** So, what is the number for ARPA then? **Thompson:** We have it all under 250. It is clarified on both.... **Howse:** I am just curious how the money is being used because I know that you guys have that opioid money now. **Thompson:** Yeah, it's coming in slowly. We got like \$22,000 now.... **Howse:** ...over 18 months? **Thompson:** They have only given me \$1,100 so far. **Howse:** Is that for like public safety or are they working together to try and figure out how to use the money? **Thompson:** They are working to figure it out. It will be under a special fund for restricted use. **Howse:** Right. But if you can get me January through July at least; the statement of cash, that should be it. **Thompson:** Yes, I am compiling all that for you. You will have that plus the other detail you asked about the credit cards. **Howse:** Because I think it is important that it should be shown so everybody knows what that transfer is ultimately going to be. That beginning balance tells the story about if the beginning balance started out as a negative balance, you're going to know it's not just a negative balance but whatever is covered for the expenses. I think that will show a true picture of all your special revenue funds. Because if they are in the negative, that money is being pulled from the general fund. **Thompson:** With the actual starting balances, they have it in their report. It will all about recrafting this.... **Howse:** But you said I will get that. **Thompson:** Oh, for sure. And all the balances are positive. We started out with \$243,000 for all funds and right now we are up to \$688,000 for all funds. So, it's moving in the right direction for all funds. That's even accounting in potentially the transfers. **Howse:** So, how much money have you used for the Cares Act? It's technically called ARPA money now, what have you used that ARPA money for? **Thompson:** We've got about \$170,000. The Mayor had a program that he did for the seniors. I will have to go back and list everything. He did a program that he called in to the State and he asked if he could make a distribution of health and Vitamin D to the seniors so that was one of the things. **Howse:** That was it. **Thompson:** But you will see it once I provide you with all that detail. It's going to have what it was paid for, the checks, the total for each year. We've got about \$179,000 this year so that was our portion that we received. That was our threshold we were getting. **Howse:** And how much for the opioid money? **Thompson:** \$22,000 but I only got about \$1,100 right now. And that will be a special revenue fund as well for restricted use. **Howse:** Thanks for answering my questions. One more question; what was the road program? What was the schedule for this year? Would that be a Mayor question? **Thompson:** Yes, that would be a Mayor question to identify. I have a detail in my office when I built my budget. **Warren:** Are you talking about the repairs? **Howse:** Yes. **Warren:** We would appropriate so much money and then.... **Thompson:** I know the amount of money for the street fund which was.... **Warren:** I know they put a lot into Forbes Road. They put a lot of attention on that and areas of Tryon and Richmond Road. The main thoroughfare

roads, too. **Group:** And Solon Road. **Thompson:** We had about \$1.2 million in the fund so, I'll have to get you the detail. **Howse:** I feel like I have an advantage because I'm curious to know on Forbes Road, is that a right of way they are doing? **Warren:** You can ask me. **Howse:** What are they doing there because it's been a long time? How much is that costing? They have been working on right at Richmond and Forbes. **Warren:** Oh, the pump station. That is a locked in price. It's been bid and there was some issue that came up and as you know due to COVID, they got material delays on certain specialty materials, and they are waiting on that. That was reported by Ed. **Thompson:** That wouldn't be under streets. That would be under sewer type maintenance. We have a program with the county that it is 100% reimbursable. **Davis:** I did see the City of Brunswick. It says, 'withholding for Brunswick City tax.' **Thompson:** We have a firefighter that is doing a multi-city tax. He gets Brunswick tax taken out, so he doesn't have the obligation at the end of the year, and he also gets the OV tax. We do multi-city tax if you just let us know. **Warren:** Are we expecting an influx of bills from anything specific like the SCMR or something like that? **Thompson:** No, nothing more than just your normal projects we scheduled for the year. I paid out some big ones especially for the pump station. I made the payments, and I am always badgering Ed that I need the reimbursement. Just waiting on some of those from the county. They process slow sometimes. Plus, he is dealing with a lot of communities. But straight up answer, we don't have any back bills or anything. **Davis:** So, just a few, say from recreation but the majority of summer camp has been paid. Yes, their program ended in July and there is some in August. But where he projected the budget for this year, it definitely shouldn't be over.

MOTION TO ADJOURN by Gaither; Seconded by Davis

VOTE YES: Warren, Gaither, Callender, Matlock, Davis, Williams

MEETING ADJOURNED: 6:45pm

Adopted _____

Christine Morgan, Clerk of Council

Johnnie Warren, Council President