

Brookville City Council
Budget Work Session
December 3, 2020

The Budget Work Session of the Brookville City Council was called to order by Mayor Letner at 7:30 p.m. on December 3, 2020. The meeting was held virtually using the Cisco WebEx application. The Pledge of Allegiance was recited. Members Crane, Fowler, Schreier, Swabb, Wilder and Zimmerlin; Manager Keaton, Finance Director Brandt, Law Director Stephan, Clerk Duncan, Fire Chief Fletcher and Police Chief Jerome were present.

Roll Call by Clerk Duncan.

Motion by Zimmerlin, second by Fowler to approve the Agenda as presented. All yeas, motion carried.

Manager Keaton stated she thought 2019 was a trying year with the Memorial Day tornado, 2020 topped 2019 with nine months of the COVID-19 pandemic, resulting in a decline in Income Tax receipts, Motel Tax receipts, Motor Vehicle Tax receipts and Park Permit receipts. Manager Keaton stated the 2021 budget was challenging for Finance Director Brandt's first year, but she did a commendable job.

Manager Keaton advised Council will find during the presentation that the estimated Income Tax revenue for 2021 is down \$350,000.00 from 2020's budgeted income tax and below \$3,000,000 for the first time since 2012. This projected reduction is attributed to Provimi leaving Brookville in 2021 and the decline of projected net tax profit due to the pandemic.

Manager Keaton stated one bright note is that DMAX will begin operations in Brookville in 2021. The last update from DMAX shows them setting up equipment now through the end of March. They will qualify their equipment from April through July and will begin training their team with formal training beginning in July. Manager Keaton advised she recently got word that GM made the decision to go ahead with productions somewhere between October 1 and December 1 of 2021. This schedule is subject to change with the ongoing COVID pandemic.

Manager Keaton provided Council with an update on the projected revenue the City will lose from the relocation of Provimi to Lewisburg. Manager Keaton shared with Council when looking at the numbers through November of 2020, Provimi's withholding tax represents 5.8% of our total withholding receipts for all employers. One thing to keep in mind is we are sharing 50% of Provimi's withholding tax with Brookville schools after deducting infrastructure costs. Our 2021 General Fund expenditures also reflect this decline in revenue sharing with Brookville Schools. On Provimi's net profits, their tax liability ranges from 11% to 34% of the total net profits the City received over the last five years.

Manager Keaton stated she wants to reiterate to Council that for 2021, just like during 2020 and every other year, Staff will constantly monitor expenditures and receipts and keep Council informed. Manager Keaton announced Finance Director Michelle Brandt will now present the 2021 Budget Presentation.

Finance Director Brandt presented a Power Point Presentation on the 2021 Budget. A copy of the Presentation is attached to the minutes.

Finance Director Brandt explained the City of Brookville has 13 different Funds. She provided a brief explanation of the General Fund and the projected 2020 Revenues and Expenditures from the General Fund.

Finance Director Brandt presented the 2021 Police Department Budget.

Police Chief Jerome explained the importance of sending Captain Jacobs to PELC leadership training before he completes his probation, stating the school was paid for out of the 2020 budget, but the lodging will be paid out of the 2021 budget.

Mayor Letner asked Police Chief Jerome to discuss the bodycams portion of the budget.

Police Chief Jerome stated Council has already heard the presentation for the G-Tack bodycams, but he did want to answer a previous question regarding the School Resource Officer wearing a bodycam. Police Chief Jerome reported he did go over the instances in which a bodycam would be used in the school with Superintendent Hopkins and he had no issues with it. Police Chief Jerome stated quite a bit is changing in the police profession and the bodycams would be a tool to give another side of the story; but he understands the budget is tight and if Council feels the money is not there, it is not there.

Member Fowler stated he is a huge proponent of the bodycams but asked what if we held off purchasing until 2022? Member Fowler commented he does not know if now is the best time to make this large expenditure. There have been grants in the past, and maybe if we wait some new grants will become available.

Police Chief Jerome replied while he thinks bodycams are needed and could reduce our liability, it is not going to be the end of the world if we do not make this purchase in 2021.

Member Schreier asked if any of the cost could be recouped from the Ohio Plan as it reduces our liability?

Manager Keaton replied she has reached out to our insurance carrier, and the Ohio Plan currently does not provide a specific credit for bodycams. It is considered within our risk management practices and we could potentially see an impact on our law enforcement liability rate.

Member Zimmerlin asked if the School Resource Officer agreement with the school is nearing expiration and if we have discussed extending the agreement? Member Zimmerlin commented the school is likely faced with budgetary issues as well and he wanted to know if they are still willing to fund the SRO agreement. Member Zimmerlin commented the SRO is critical in his opinion and if it becomes a choice between the SRO and the bodycams, he would choose the SRO.

Police Chief Jerome stated he believes the SRO agreement ends during the 2021 school year and advised he would reach out to the school regarding their ability to continue funding it.

Member Zimmerlin commented he agreed with Member Fowler that the bodycams could be pushed back a year if necessary.

Discussion followed regarding the financing of the bodycams.

Member Wilder stated most of the professional development opportunities in her profession are now being offered virtually due to the pandemic. Member Wilder inquired whether this might be an option for the supervisor training, which would allow the travel expenses to be cut from the 2021 budget?

Police Chief Jerome stated there is an online option, but the cost of the virtual training is a wash between total cost of the in-person training and travel expenses combined.

Finance Director Brandt presented the 2021 Fire Department Budget.

Fire Chief Fletcher commented the wage step increases budgeted for are on a case-by-case basis, based on certification levels and merit.

Fire Chief Fletcher advised one of the things we tend to do is wait until middle of the year or third quarter to spend money on capital improvements to allow for the unexpected. However, the ice rescue gear budgeted for is necessary as it is at end-of-life. If we take that out of our budget, we are not able to respond to that type of emergency. Fire Chief Fletcher stated our fire hose must be replaced as it has also reached its end-of-life phase and can no longer be used.

Member Zimmerlin asked if the recent property tax increases will increase our fire levy monies based on our current contracts?

Manager Keaton replied she will reach out to the County Auditor before the next Council meeting. Normally, it is a fixed amount when a levy is passed so it needs to generate the same dollar amount.

Finance Director Brandt presented the 2021 Government and Administration Budget.

Manager Keaton reported Council has a copy of a report she put together showing the General Fund carryovers from 2009 through 2020. The expenditures are the worst-case scenario if we spend every penny, which we have never done in the more than 20 years she has been here.

Member Crane stated he thought Council passed an Ordinance that stated the General Fund carryover must be a certain amount.

Finance Director Brandt replied that is correct. We are unfortunately short this year due to unforeseen circumstances with the pandemic.

Discussion followed on the need to diversify our revenue stream to meet this goal.

Finance Director Brandt presented the 2021 Service Department Budget. This includes the Street M&R, Park, Water, Sewer, Refuse and Stormwater Funds.

Member Zimmerlin inquired if we had to choose between a pick-up truck or a dump truck, would some of that money go back into the General Fund to increase the carry-over for next year?

Member Fowler asked if there is a priority between the two purchases?

Finance Director Brandt stated the purchase of a pickup truck would be split between multiple funds as several departments will be using it. A dump truck would probably not be split up between as many funds as it does not have as many uses.

Manager Keaton commented if we can find a good deal on a pickup truck or a dump truck on Gov-Deals, that is the route we will go versus purchasing brand new. Manager Keaton stated the dump truck is probably a bigger need.

Discussion followed on the carryover of the General Fund and transfers of money between funds.

Member Wilder asked if one of the trucks are replaced, will we sell our old vehicle on GovDeals to recoup some of our money.

Manager Keaton replied that is correct.

Finance Director Brandt presented the 2021 Park and Recreational Budget.

Member Fowler asked what the amount budgeted for contractual services covers?

Finance Director Brandt replied this is for utilities, caretaker expenses, and month-to month expenses.

Manager Keaton stated contractual services also covers building and land maintenance.

Member Crane inquired about the capital outlay?

Finance Director Brandt stated this would be for major expenditures, such as a large piece of equipment or HVAC replacement or repairs.

Manager Keaton commented we recently found missing shingles on the BBC and Pee Wee concession stand roofs. Our insurance company is reviewing these claims; however, we will have to pay for the repairs up front and they will reimburse us.

Finance Director Brandt presented the 2021 Capital Improvement Fund.

Manager Keaton reported we submitted two CDBG grant applications this year. One was for a walkway from the Community Theatre to Golden Gate Park, the other was for the demolition of two to three parcels. Manager Keaton stated she recently learned there will be enough funding for all projects this year. We will initially have to pay that out and are then reimbursed by Montgomery

County. On the County permissive tax, we have let it build up for several years and will use the \$69,000 accumulated to mill and repave Westbrook Road from Wolf Creek Street up to just west of Albert Road. Our commitment would be \$23,000 toward the resurfacing. We will apply for the Solid Waste Recycling Grant when it is offered in the Spring.

Finance Director Brandt presented the 2021 Fire Department Capital Improvement Fund.

Member Zimmerlin inquired about a previous conversation in which Fire Chief Fletcher indicated a used ladder truck might be coming available?

Fire Chief Fletcher stated he was hoping to acquire a ladder truck from a neighboring department but due to change in their plans this is no longer an option. Fire Chief Fletcher stated our best bet now would be to save our money and be prepared to take advantage when we see an opportunity to purchase a good used piece, as we have done in the past.

Finance Director Brandt presented the 2021 Water Fund, 2021 Sewer Fund and the 2021 Stormwater Fund.

Manager Keaton reported a building for the sludge press machine has been in our budget for several years. We would like to push forward with this as the sludge press machine has been winterized and is stored at Station 2, which we are possibly looking to sell. Manager Keaton also stated we cannot plan what could go wrong at the Wastewater Treatment Plant, so we need to be prepared for unexpected expenditures.

Finance Director Brandt presented the 2021 Refuse Fund.

Member Zimmerlin inquired where the proposed grant funds for the Brookville Historical Society would come from?

Finance Director Brandt replied that \$7,500.00 grant would come out of the General Fund.

Member Zimmerlin asked what actions Council took in 2012 when there was a similar issue with the carryover?

Manager Keaton replied they scrutinized every expenditure for every department as Staff is doing now. Manager Keaton recalled they received some additional revenue in 2012 that was not in the budget. Manager Keaton assured Council that Staff is constantly watching the budget and our Zoning Officer is continually trying to recruit new businesses, however, the COVID pandemic has set us all back.

Mayor Letner commented the Chiefs watch every penny they spend, and nothing gets past Manager Keaton. Mayor Letner agreed that COVID changes the way we have to do business, as we have seen with Provimi. Mayor Letner stated we have to move forward and adapt to that. Council is going to have to make some tough decisions but as a group we will overcome and persevere. Mayor Letner stated Council can rest assured we are in good hands with Sonja and the Chiefs and Chris at the helm. Mayor Letner commended Finance Director for her presentation and her work this year and stated he looks forward to continuing to work with her.

Manager Keaton reminded Council we have DMAX coming on board to look forward to, which hopefully will grow and turn things around.

Member Fowler asked if Council is in favor of putting a parks levy and street levy back on the ballot in 2021?

Discussion followed regarding generating money by putting levies on the ballot as a means to diversify our revenue stream; and how to communicate to the public the City's needs.

Police Chief Jerome reported he heard back from Superintendent Hopkins during the presentation and he confirmed the school wants to renew the SRO agreement upon expiration.

Member Schreier asked what the Law Enforcement Fund is used for and if any of it could be used towards the purchase of bodycams?

Manager Keaton replied the bulk of the revenue in that fund is from donations. It was originally set up to fund events that the Police Department holds such as the 5K run and Ghostly Night Out. Surplus funds have been used to supplement expenditures in the past.

Manager Keaton stated she will continue to work on gathering information and millage numbers for Council review. Manager Keaton commended Finance Director Brandt Michelle for her good work in such a challenging year.

Mayor Letner stated Council has been given a lot of information to digest and has some big decisions ahead. He commented we have good people in place to implement our decisions. Mayor Letner said it has been a pleasure to work with everyone in this trying year and he is looking forward to working with everyone in 2021.

Motion by Zimmerlin, second by Fowler to adjourn. All yeas, motion carried.



Kimberly Duncan, Clerk

Charles Letner, Mayor

