

Finance Committee

The Finance Committee held a virtual meeting on Monday, April 20, 2020 via the Zoom meeting application.

Present were Council members Schlessel, Frey, Marko, Gambatese, Grushetsky, Price and LoPresti. Also present were Finance Director Mary Kovalchik, Mayor Patrick Ward, Law Director John Luskin, Assistant Law Director Ray Schmidlin, Police Chief Patrick Rhode and Assistant Clerk of Council Kelly Miller.

The purpose of this meeting was to discuss budget amendments due to COVID-19 challenges. The Capital Request Combined Summary 2020 was distributed electronically to all members of Council in advance for their review in preparation for this meeting. A copy of this summary will be attached to the meeting minutes.

Chairman Schlessel called the meeting to order at 6:34pm. He stated that while we are unable to project what is going to happen once we are able to re-open, what steps we follow and what it's going to look like, we are going to continue to stay on top of the situation.

Mayor Ward stated that while tonight we are discussing the capital budget, it is going to be up to the daily management of finances. He commented a hold has been placed on the non-essential purchases and the departmental needs are being assessed very carefully. Mayor Ward aired there will also be conversations with staff about ways to cut back going forward. With this being a negotiation year, Mayor Ward said he is going to ask that the current contracts be extended until the end of 2021 without change.

Chairman Schlessel turned the floor over to Mrs. Kovalchik. She stated that while keeping an eye on the revenues, they are trying to make some projections. As a result of the loss in revenue including general fund collections, Mrs. Kovalchik stated the Mayor issued the stop spending order for non-essentials. She noted that while the Finance Department is scrutinizing every purchase requisition, the department heads have been more than willing to look for reductions in their capital spending. Mrs. Kovalchik said the number one cost to the City is capital. She commented that should the recommendations be approved, there will not be an amendment until the month of May.

Mrs. Kovalchik directed the conversation to the Capital Request Combined Summary 2020 worksheet detailing the recommendation of \$412,017 in potential reductions in capital improvements. Mrs. Kovalchik noted there are specific line items that are reimbursable to the City. She assured Council the purchase orders from the reimbursing organization would be received before any purchase is made.

Mr. Schlessel asked if there would be an advantage going back to the providers to re-negotiate lower prices in case we want to reconsider before cutting them from the budget.

Mrs. Kovalchik remarked while this would be a good idea before the appropriations are amended in May; however, the budget still needs to be reduced. She further commented should there be relief from the state, some of these non-essential expenses could be reinstated and possibly at a better price later in the year.

Mr. Marko initiated discussion surrounding the 2020 Sidewalk Program. Per the recommendation from the City Engineer, the cost would be \$58,297. He confirmed the City is responsible to pay 75% of that total, with the other 25% being charged to the residents. Mr. Schlessel asked what the city could do to help those residents who may be experiencing possible financial hardships. Mayor Ward suggested delaying the program for one year; not to incur any additional cost to the City while giving those residents a relief from the portion they would be financially responsible for. Mrs. Kovalchik mentioned it was a 10 year program and 9 of those years have been completed.

Mr. Frey inquired whether there was any consideration relative to the Asphalt Reconstruction and Resurfacing Program, being it is one of the bigger Engineering requests. Mrs. Kovalchik stated the road programs had already gone out to bid and have been financed. She noted any unused funds will remain in the street improvement fund as reserves, and will be used to reduce financing in the following year.

Moving on to the Police Department, Mrs. Kovalchik stated the Chief has requested 3 new patrol vehicles. The recommendation is to reduce one along with all costs associated with equipping that vehicle. Additionally, she said the request includes a \$4,250 reduction in IT for the replacement of 2 desktop computers as well as monitors and printers. It was determined the 2 thermal handheld imagers, chair replacement and portable breath testing machines (PBT's) were not as critical as other budgetary items.

Chief Rhode aired his department is willing to forgo the Simunitions Firearms and Protective equipment line item of \$5,100 as well to further reduce capital requests. He expressed his appreciation for the consideration of 2 of 3 patrol vehicles. Chief Rhode did remind Council that those vehicles were cut from the budget last year further extending the fleet rotation specifically for those cars. Mayor Ward noted that if things change, he can ask for Council to consider an advance order, which we wouldn't experience until 2021 but at least it would put an additional vehicle in our fleet.

Additionally, reductions were requested for the Fire Department, Finance & Council, the Community Center and Technology. Mrs. Kovalchik stated there is a recommended reduction to the capital budget of \$417,117 being requested as a result of COVID-19.

It was moved by Mr. Frey, seconded by Mr. LoPresti that the Finance committee approve the recommended reductions.

The question was put to a voice vote and passed unanimously.

With no other business to discuss, the meeting was adjourned at 7:25 PM.

Respectfully submitted,

Lane A. Schlessel
Chairman