

**Council for the Village of Yellow Springs  
Special Meeting: Budget**

**Virtual @ 4:00 P.M.**

**Monday, October 11, 2021**

**CALL TO ORDER**

President of Council Brian Housh called the meeting to order at 4:00pm.

**ROLL CALL**

Present were President Housh, and Council members Kevin Stokes, Lisa Kreeger, Marianne MacQueen and Laura Curliss. Also present were Village Manager Josue Salmeron, Public Works Director Johnnie Burns, Finance Director Matt Dillon, Planning and Zoning Administrator Denise Swinger and Solicitor Breanne Parcels.

**BUDGET OVERVIEW**

Matt Dillon, Finance Director, presented a comprehensive budget overview.

Dillon started the session with an overview of budgeting, then moved into a snapshot of the situation as it appears for 2022. Dillon noted the 2021 financial goals, which were in part to achieve a structurally balanced budget, to adopt sound financial policies, and to establish an annual budget process.

Dillon stressed that reserves are a “bottom line” measure which can be used to indicate the extent to which the goal of structural balance is being achieved.

Dillon focused primarily on the General Fund. Dillon noted that to continue Village services at their present level will cost about \$4,052,000 for 2022, which leaves a shortfall of about \$456,635, based upon projected revenues.

Dillon walked through the implications of this shortfall, stressing the need to budget carefully and to strenuously avoid any non-budgeted expenditures in 2022.

Summary of Council responses:

Kreeger: Budget is the number one way in which Council and the Village express values. This Council has inherited years of infrastructure neglect. Basic services must be prioritized. Kreeger also called for a “deep dive” on the Police Department budget. She asked that overtime and staffing be reviewed, as well as management of training.

Curliss agreed with the need to focus on services, but disagreed with Dillon’s recommendation of a 90-day cash reserve, stating that this reserve should be higher—at least 6 months, with a year as ideal--as a hedge against the unforeseen. She asked for budget detail.

MacQueen commented that new technologies and resources should be considered, and agreed that the PD budget should be scrutinized. She asked for a 24/7 staffing review of the PD.

Housh asked how grant funds are booked, and asked whether projects would be put off if grants were not received. He also asked how accurate the projections for income tend to be, and stated that the reciprocal income tax could be put back into consideration. He opined that there is a significant amount of tax earned by independent entrepreneurs such as vendors and service providers going uncollected, and collection of these revenues should be explored prior to looking at a reciprocal tax.

Kreeger stated that costs related to Dispatch should be reviewed.

Stokes stated that the PD should not be scrutinized any more than any other department.

Curliss expressed her discomfort with the 90-day reserve, stating that this is far too small a reserve, and does not provide a sufficient hedge against the unexpected. She asked what the list of cuts would look like if every department were cut by 11%.

Housh pointed out that the 90-day reserve is a best practice provided by the Auditor of State.

A discussion of the 5% budgeted for salary increases took place, with Dillon stressing that this is meant to cover all increases, including step and COLA increases, and are obligated.

MacQueen suggested increasing the co-pay for health insurance. She commented that she had always paid for her own insurance so has no experience in this area.

Curliss asked that taking healthcare to the marketplace be considered in the financial model as a potential savings.

Housh stated that he would not push for this shift, knowing the importance of healthcare to employees.

Housh stressed that for him, the work is to communicate to the community what the impact upon services will be of these cuts, and not necessarily to make further cuts.

Dillon stated back the requests made in terms of scenarios. The first, he said, is to cut every budget by 10% or 11%, and what that will look like. Cuts have already been made, he pointed out, so we will look at the impact of further cuts.

The second scenario, Dillon said, is that you asked for increase in healthcare co-pays. I see this as both sensitive and not leading to much of a cost reduction, he stated.

The marketplace healthcare option, Dillon said, I'm just not sure about.

Salmeron asked Council as a body to ask for the comparison, stating that it might be too much work to gather the data, and might not be equitably applicable among employees.

Kreeger requested that a set amount of time be appropriated to look into the marketplace scenario. We need to be open to new ideas, she said, and I am happy to help. She suggested that focus shift to revenue options as well, including reciprocal taxation, although this should wait until after the election.

#### **ADJOURNMENT**

At 5:53pm, MacQueen MOVED, and Stokes SECONDED a MOTION TO ADJOURN. The MOTION PASSED 5-0 on a voice vote.

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Brian Housh, Council President

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Attest: Judy Kintner, Clerk of Council