

**MAYOR AND CITY COUNCIL  
CITY OF SEAT PLEASANT  
SPECIAL SESSION  
THURSDAY, JULY 23, 2020  
7:30P.M.**

**1. OPENING**

**1.1.1 Call to Order**

Council President Yeargin called the meeting to order at 7:34p.m.

**1.1.2 Roll Call**

Present: Mayor Eugene Grant (Absent), Councilmember Charl Jones (Absent), Councilmember Hope Love, Councilmember Lamar Maxwell, Councilmember Shireka McCarthy, Councilmember Kelly Porter, Councilmember Gloria Sistrunk, Councilmember Reveral Yeargin

Staff: C. Reginald Bagley, Contractor, Marcus Jones, NCO, Dashaun N. Lanham, City Clerk, Michael Lightfield, CPA, Devan A. Martin, Acting Chief Operating Officer, Jessica Wise, Contractor

**2. PRESENTATIONS:**

2.1 None

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**3. MEETING TOPICS**

**3.1. Budget Recommendation**

- Mr. Martin stated that we need to go into a Closed Session to discuss the budget deficit and the furlough of employees.
- City Clerk Lanham stated that you cannot discuss budget deficit in a Closed Session.
- Mr. Martin stated that we have updated the financial sheet as it relates to revenue reduction due to overspending and COVID-19.
- Mr. Lightfield presented the City Council with the budget spending recommendation for each department and recommended that the City reduce spending by 40% will be approximately \$319,000 monthly.

- Mr. Lightfield stated the with the furloughing of employees and contractors the city will save approximately \$115,000 per month.
- Mr. Martin stated they wanted to present the City Council with actual projections and the 40% spending model is where the city needs to be.
- Mr. Martin stated that he wanted the City Council to look at essential services and functions and what is best for the city.
- Ms. Wise stated that how the potential furlough will impact the city financially. The last two columns are the bottom-line numbers. The savings will be approximately \$58,000 monthly. The eighty percent is for employees and twenty percent is from contractors.
- Ms. Wise stated that the bi-weekly payroll is \$130,000.
- Mr. Martin stated that the employee cost is mostly FICA and Insurance and we are looking at LGIT plan. We are looking at the total of \$65,828.
- Mr. Martin stated that we are looking at furlough not lay-off. We have certain fulfills under a furlough and lay-off postures.
- Mr. Jones stated that Furlough is best option in accordance with the Personnel Manual and the City Charter and it needs to be approved by the City Council and presented by the Chief Operating Officer.
- Mr. Jones stated that Layoffs are required to be approved by the City Council and presented to the employees within a certain timeframe.
- Councilmember Love inquired if anyone had checked into the amount the employees will receive from unemployment.
- Mr. Martin stated that the city is required by law to payout the employee leave and they are required to repay the city for the leave. The Chief Operating Officer will determine if it will be an upfront cost or spread out over a period.
- Mr. Martin stated that the we are not required to pay unemployment insurance monthly as a government. We are required to pay the unemployment insurance on a quarterly basis. Under this posture we can extend it out for six months.
- Mr. Martin stated that we will not receive certain funding under COVID.
- Mr. Martin stated that we consider certain position essential and will reduce certain position to part-time. We have sixty percent of the administrative staff working from home. We may be returning to full time working from home.
- Mr. Martin stated that he does not feel we are getting the full eighty hours of work from employees that are working from home. They are returning projects around sooner without any interruption.

- Mr. Martin stated that we are considering turning the transportation service to part-time services. We must take into consideration another epidemic of COVID and this may not allow the transportation services.
- Mr. Martin stated that he will be meeting with the Department Director on tomorrow.
- Mr. Martin stated that under the furlough for the Office of the Mayor and the City Council they are looking into a total furlough and redirecting the working elsewhere.
- Mr. Martin stated that we can review under the furlough to see if we need to bring some of the staff back and place them in another department.
- Council President Yeargin had a question for Mr. Jones regarding the furlough versus the lay off as the furlough will give you the opportunity to bring the employee back.
- Mr. Jones stated that the layoff is much harder process as the personnel manual does not allow the Chief Operating Officer to lay-off any employee that is on a probationary period and we have an entire department that is providing essential services to the city.
- Councilmember Love inquired if the staff is being considered with regards to the services that are being provided to the residents. She feels that we have too many upper management and not enough workers.
- Mr. Martin stated that Trash service and bulk trash is essential. We are looking at how to place the work within the department. The City Clerk may be required to assist the Mayor and City Council with scheduling.
- Mr. Martin stated that we are removing the public safety department from the government on putting them on Speed Camera. This is something that we should have done some time ago.
- Mr. Martin stated that we may need to consider re-organization of the government. He stated that if we had these strong cuts before we may have not had been in the position. The furlough of staff will put us in a better position financially.
- Councilmember Sistrunk inquired if the city was only looking at the sixteen positions listed on the document?
- Councilmember Sistrunk inquired on the status of the vehicles purchased for the City Council and Administrator, if they are paid for and can they be returned?
- Mr. Martin stated that he is looking at every asset and we may be in a position that we may need look at land to gain revenue.

- Mr. Martin stated that the vehicles that are still under lease payment and we cannot sell them, nor can return the vehicle under the terms of the lease until the end of the lease.
- Mr. Martin stated that we are looking at the best pattern for the city and there is no way can move without a furlough.
- Mr. Lightfield stated that we are projected to run out of cash next month and we will need to use the line of credit.
- Mr. Martin request for Mr. Bagley to provide an update on the USDA Financing.
- Mr. Bagley stated that the construction project and the updated figures with the cost to complete the project is 1.8 million dollars for completion. We are up against \$650,000 in the account, but we have over \$400,000 of expenses for the city. We do have the \$250,000 from the state bond bill and we are looking to see if the funds were cut due to COVID.
- Mr. Bagley stated we were awarded a \$4.1 Million Dollar loan from USDA, but the way that it works that USDA will not pay funding until the project is complete. They serve as guarantor for interim financing. We have been eligible for an additional twenty percent of financing.
- Mr. Jones stated that we met with the contractor to go over the project to halt any necessity and the wish list was tabled to save cost. The numbers that he provided today was the \$1.8 Million to complete the project and tomorrow we must cut checks of over \$500,000 to pay construction cost from the \$650,000 remaining in the account. We will need to use the interim financing next month.
- Councilmember Sistrunk stated that we were looking to occupy the building in September and based upon the information provided this evening we cannot have the election at the location.
- Mr. Bagley stated that after completion we will need to receive the U & O permit and that may not be completed in September. However, the public works building may be complete.
- Mr. Martin stated the LGIF program we had removed the city from the project. However, they have made the decision to fund on yesterday. We will need to wait until the next funding.
- Councilmember McCarthy inquired if we need suspend the lease on Brightseat Road?
- Mr. Martin stated we need the location on Brightseat Road to provide office space for the essential departments of the government. The lease is a small fraction of what we were paying for the temporary location. We had spent

well over 1 Million for the temporary location and we should have spent \$250,000.

- Mr. Martin stated that we must complete the project and come up with the funding to do so.
- Councilmember Sistrunk inquired if we can pay for the election?
- Mr. Martin stated that we budgeted for the election and are required to fund the election. He will be meeting the Board of Election tomorrow to reduce some of the recommendation. We may need to have budget amendment. The Board of Election would like to reduce the early voting days to three days.
- Mr. Martin stated that the cost of the election is approximately \$52,000 and we budgeted for \$20,000 to \$25,000.
- Council President Yeargin stated that we need consider having early voting versus not having early voting.
- Mr. Martin stated that he will support the Board of Elections on the reduction of the early voting.
- Mr. Martin stated that he had conversation with Mayor Grant early on with the Finance team we have in place with the knowledge and experience they must get us through the hurdle.
- Council President Yeargin stated that we must sustain the city and cannot get up in personality.
- Mr. Martin stated that he had requested the meeting for today because we need to move forward with the furlough. Each of the employees on the furlough list have enough leave to be on a leave status and they will receive a paycheck for the next two pay period.
- Mr. Martin stated that certain employees have more leave than others.
- Mr. Jones stated that every employee will receive the paycheck on tomorrow, and some will receive two to three more paychecks.
- Mr. Martin stated that they will have Human Resources to keep the employees up to date on the status of the furlough.
- Mr. Martin stated that the Pepco bill was not paid since last November.
- Mr. Martin stated that with the level impact and we believe that we will have people transitioning into roles.
- Mr. Martin stated that he will make the changes and send it out to the City Council and Mrs. Lanham.
- Councilmember Love inquired when will the employees be informed?
- Mr. Martin stated that he will be meeting with the Department Directors tomorrow and prepare the letters and consult with LGIT next week before meeting with the employees next week.

#### **4. LEGISLATION**

4.1. Resolution R-21-05 To Adopt a Hiring Freeze and Furlough certain position. Resolution R-21-05 was introduced by City Council and read by the City Clerk on Thursday, July 23, 2020. It was motioned by Councilmember Maxwell and seconded by Councilmember McCarthy. The motion carried and was unanimously approved by the City Council.

#### **5. UNFINISHED BUSINESS**

5.1. None

#### **6. ANNOUNCEMENTS**

6.1 None

#### **7. ANNOUNCEMENT**

**7.1. Special Session, Monday, July 27, 2020 at 6:00p.m. at the Seat Pleasant Police Department.**

**7.2. Regular Work Session, Tuesday, September 8, 2020 at 6:00p.m. by Zoom Video Meeting**

**7.3. Public Hearing, Tuesday, September 8, 2020 at 7:00p.m. by Zoom Video Meeting**

**7.4. Public Session, Tuesday, September 8, 2020 at 8:00p.m. by Zoom Video Meeting**

**ADJOURN**-The meeting was adjourned at 8:54p.m.

Submitted by,

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*Dashaun N. Lanham*

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Dashaun N. Lanham, CMC  
City Clerk