

BUDGET AND FINANCE COMMITTEE
Meeting Summary
May 26, 2020

The meeting was held via Zoom Teleconference in accordance with the laws and regulations of the City of Madeira.

Attendance:

Brian Mueller, Chair
Scott Gehring, City Council
Tom Henning, City Council
Tom Moeller, City Manager
Lori Thompson, Assistant City Manager
C. Robert Paul, Treasurer
Kristie Lowndes, Assistant Treasurer

The meeting was called to order at 6:30 PM.

1. **April Monthly Financial Report.** Mr. Moeller reviewed the Year-To-Date financial information for the committee. He reported on the following highlights:

General Fund Revenue

- **Real Estate/Property Tax.** Total for YTD is \$1,364,530 vs. \$1,306,755 YTD 2019 (+4.4%)
- **Earnings Tax Revenue.** Total YTD is \$1,113,268 vs. \$1,404,629 YTD 2019. (-20.71%)*
- **Admissions Tax Revenue.** Total YTD \$65,421. The tax became effective April 1, 2019 with the first month's revenue at \$16,400 in April 2019. April 2020 Revenue was also \$16,400. Based on monthly revenue to date, the tax is generating what was presented in the 2020 Budget.
- **Rollback and Homestead.** Total YTD \$173,440 vs. No Revenue YTD 2019.
- **JEDZ Tax/Fee Revenue.** Total YTD is \$205,336 vs. \$201,254 YTD 2019. (+2%)
- **Fine/Forfeitures/Court Costs.** Total YTD \$33,000 vs. \$28,600 YTD 2019 (+15.4%)
- **Building Permit Fees.** Total YTD is \$52,691 vs. \$43,130 YTD 2019. (+22%)
- **Interest Income.** Total YTD is down \$6,200 over YTD 2019 (-24%).
- Total GF Revenue is up \$8,500 over YTD 2019. (+.03%)

***Earnings Tax Returns and Payments are due July 15.**

Expenses

- General Fund Expenses YTD 2020 \$2,406, 414 vs \$2,257,567 YTD 2019 (+6.6%)

SR-21 Street Fund Revenue

- We are \$58,533 above revenue YTD 2019. This is primarily due to the additional gasoline tax revenue generated from January through April. As previously noted, we can expect a significant decrease in gasoline tax revenue from projections beginning April 1 as the full impact of the “stay at home” orders has taken effect. We will continue to closely monitor this as it will have an impact on future road programs.

The committee discussed the impact of the COVID-19 Pandemic on the earnings tax revenue. Mr. Moeller noted that we will be able to better project the impact once we finished the processing of tax returns and payments after the July 15th filing deadline. Mr. Mueller asked if it was reasonable to project earnings tax revenue by evaluating the current revenue on a month-to-month basis. Mr. Paul and Ms. Lowndes both noted that the April collection is much higher in typical years and that it is not possible to look at the current monthly revenue to project for the remaining year. Ms. Lowndes noted that only about 50% of the residents have filed ahead of the revised July 15th filing deadline.

2. **Indian Hill Water Works Agreement Update.** Mr. Moeller reported that staff is scheduling a meeting with Indian Hill officials to review their proposal to merge the water distribution systems and have Indian Hill take over all capital replacement of the water mains. At the time of this report, the meeting was still being coordinated. Mr. Moeller stated he should have a report for the committee by the June meeting.
3. **Financial Indicators Study.** Mr. Mueller asked the committee to engage in discussion regarding the draft report prepared by Mr. Henning which studied the City’s finances since 1993. Mr. Mueller thanked Mr. Henning for his work as he noted how valuable the information will be in future budget discussions in evaluating future financial risks and how the City is progressing in maintaining and even enhancing the infrastructure. At Tom Henning's request from the previous meeting, the Committee reviewed goals, risks, and objectives of the fiscal indicators. The committee will continue to review the information and have additional discussion at future meetings.

The meeting was adjourned at 7:15 PM.

Brian Mueller, Chair