

## **BUDGET AND FINANCE COMMITTEE**

### **Meeting Summary**

**July 27, 2020**

**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 held via Zoom Teleconference in accordance with the laws and regulations of the City of Madeira.*

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

1. **Monthly Financial Reports.** Mr. Moeller reported on the following for June 2020:

#### **General Fund Revenue**

- **Real Estate/Property Tax.** Total for YTD is \$1,364,530 vs. \$1,336,872 YTD 2019 (+2.0%) NO CHANGE.
- **Earnings Tax Revenue.** Total YTD is \$1,526,478 vs. \$1,969,769 YTD 2019. (-22.4%)\* (OFF \$441,290 YTD). Ms. Lowndes reported that as of July 27, 2020, earnings tax revenue was \$130,000 YTD. Mr. Mueller stated that since the 2020 Budget estimated earnings tax receipts to be \$89,000 more in 2020 than in 2019, the net effect/deficit was (-\$219,000).
- **Admissions Tax Revenue.** Total YTD \$98,388. The tax became effective April 1, 2019 with the first month's revenue at \$16,400 in April 2019. Based on monthly revenue to date, the tax is still generating what was presented in the 2020 Budget. On track to collect \$190,000+/yr.
- **Rollback and Homestead.** Total YTD \$173,440 vs. \$171,909 YTD 2019 (+.08%). NO CHANGE.
- **JEDZ Tax/Fee Revenue.** Total YTD is \$304,668 vs. \$308,119 YTD 2019. (-.01%)
- **Fine/Forfeitures/Court Costs.** Total YTD \$34,697 vs. \$45,155 YTD 2019 (-23%)
- **Building Permit Fees.** Total YTD is \$67,431 vs. \$83,237 YTD 2019. (-19%)
- **Interest Income.** Total YTD is down \$17,000 over YTD 2019 (-42%).
- Total GF Revenue is down \$330,247 over YTD 2019. (-8%)

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

#### **Expenses**

- General Fund Expenses YTD 2020 \$3,550,891 vs \$3,406,468 YTD 2019 (+4.2%). Expenses are still tracking on budget for the year.

### **SR-21 Street Fund Revenue**

- We are still \$62,000 above revenue YTD 2019. This is still primarily due to the additional gasoline tax revenue generated from January through June by virtue of the gasoline tax rate increase in 2019 by the State of Ohio. As previously noted, we can expect a decrease in gasoline tax revenue from projections beginning April 1 as the full impact of the “stay at home” orders has taken effect. However, with recent relaxing of the “stay at home” orders from the State of Ohio, we may not have the substantial loss of gasoline tax as was initially anticipated. We will continue to closely monitor this as it will have an impact on future road programs.
2. **FY2021 Tax Budget.** Mr. Moeller reported on the preparation of the FY2021 Tax Budget to be submitted to the County Auditor later this month. A Public Hearing and legislation (Resolution 35-20) is on the Council agenda for approval. He noted adjustments were made the Earnings Tax Revenue estimates for both FY2020 and FY2021 as a result of the impact of the COVID 19 pandemic on income and businesses. The overall effect to the General Fund budget will not be known until the end of the fiscal year, but the latest figures indicate the General Fund Reserve will fall below the 27% ratio established in the Budget Policy for FY2020 and FY2021. A copy of Resolution 35-20 and the Tax Budget document is attached for reference. The committee discussed the changes and recommends approval to City Council.
  3. **Fiscal Indicators Report Update.** Mr Henning reviewed the latest update to his report on the financial health of the City. He has made some additional changes to reflect more up to date information. He indicated he will be preparing a 2 minute video presentation that will be posted to the Madeira website later this year to provide information to the public about the City’s budget and the impacts of spending on capital programs.

The meeting was adjourned at 7:20 PM.

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Brian Mueller, Chair