

BUDGET AND FINANCE COMMITTEE
Meeting Summary
August 24, 2020

Attendance:

Brian Mueller, Chair
Tom Henning, City Council
Scott Gehring, 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 Report.** Mr. Moeller reported on the following highlights from the July 2020 report:

General Fund Revenue

- **Real Estate/Property Tax.** Total for YTD is \$2,429,538 vs. \$2,336,873 YTD 2019 (+4.0%).
- **Earnings Tax Revenue.** Total YTD is \$2,149,764 vs. \$2,189,087 YTD 2019. (-2%)* (OFF \$39,322 YTD).
- **Admissions Tax Revenue.** Total YTD \$115,240. 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 (+.09%). NO CHANGE.
- **JEDZ Tax/Fee Revenue.** Total YTD is \$344,304 vs. \$359,044 YTD 2019. (-4%)
- **Fine/Forfeitures/Court Costs.** Total YTD \$51,832 vs. \$52,052 YTD 2019 (-.08%)
- **Building Permit Fees.** Total YTD is \$80,682 vs. \$93,470 YTD 2019. (-13.7%)
- **Interest Income.** Total YTD is down \$22,800 over YTD 2019 (-47%).
- Total GF Revenue is up \$138,505 over YTD 2019. (+2.5%)

General Fund Expenses

- General Fund Expenses YTD 2020 \$4,234,758 vs \$4,151,504 YTD 2019 (+2%). Expenses are still tracking on budget for the year.

SR-21 Street Fund Revenue

We are still \$75,623 above revenue YTD 2019. Gasoline Tax Revenue is still ahead of last year due to the increase in the State of Ohio Gasoline Tax Rate. Revenue has increased since the “stay at home” guidelines have been relaxed and motorists are driving more.

Mr. Moeller noted that “Refunds” in the General Fund are up to \$73,000 for the year. This includes a one-time refund from the Ohio Worker’s Compensation along with several insurance reimbursements for accidents involving public property.

Mr. Mueller asked Mr. Moeller if the report could be modified to include actuals year to date versus estimated budget year to date. Mr. Moeller noted using those calculations, the figures may not be totally representative of where we are since our major budgeted revenue items do not cash flow evenly. Earnings tax and property tax revenues are received at varying amounts over the calendar year. He stated he can provide this information by dividing those project revenue amounts by 12 months and comparing the year to date collections against that amount. The committee agreed to see what the report looks like and directed Mr. Moeller to prepare the report using this format for the next scheduled committee meeting in September.

The committee also noted the funds saved by the city not holding any public events due to the COVID-19 pandemic. Mr. Moeller stated that at the end of this year, the committee may want to recommend not transferring the \$18,000 transfer from the General Fund to the SR-45 Parks and Recreation Events Fund. Mr. Mueller asked when the Sellman Park Tennis Courts were to be painted. Mr. Moeller stated he was planning to do that in 2021.

The committee discussed additional recommendations to City Council to help mitigate the impact to the 27% General Fund Reserve in 2020 and 2021. These include the following:

- CI&R: Reschedule the Municipal Building Plaza to FY2021
- CI&R: Cancel Council A/V Expense as this should be funded through CARES Act/COVID-19 funds.
- CI&R: Reschedule McDonald Commons Hardcourts to FY2022
- GF: Cancel 2020 \$18k transfer for Park Board

The Committee noted the following capital projects have been initiated and are on schedule for 2020:

- Ford F550 dump truck for Service Department
- Mower for Service Department
- City Administration - Computer Hardware Upgrades
- Municipal Building Handicap Lift Replacement
- Sellman Park Playscape Design and Construction

After some additional discussion, the Committee agreed to begin reviewing the FY2021 Budget at the September 28th meeting. Mr. Mueller asked that a note be made to the General Fund Revenue line item that memorializes the .3% credit reduction revenue being transferred to the SR-21 Street Repair Fund so that City Councils know in the future this is required by ordinance.

2. **Fiscal Indicators Study Update.** Mr. Henning reported on his updates to the presentation. He noted that the Auditor of State's Office this week will be updating their analysis of Madeira's budget relative to "fiscal health". He also noted that the fiscal health indicators should show improvement over previous years as the 2019 City expenses were reduced as a result of the liability reduction tied to the Ohio Police & Fire Pension Fund (OP&F) retiree health care modeling change. He stated he will include this new data in his presentation for the Madeira website. Mr. Mueller and Mr. Gehring thanked Mr. Henning for the amount of time and effort he has put into the evaluation. Mr. Henning stated he intends to have the information updated in time for a recommendation at the next committee meeting.

The meeting was adjourned at 7:23 PM.

Brian Mueller, Chair