

City of Rossford, Ohio

Finance and Insurance Committee

Monday, July 27, 2020

Attendees: Robert Ruse, Bob Densic, Gina Schell, Allyson Murray

Guests: Ed Ciecka, Karen Freeman, Matt Perry – DJ Schonhardt & Associates

Meeting called to order at 5:45 p.m. (Via Zoom)

New Business:

1. Review of credit card invoices
 - a. No issues.
2. June 2020 Cash Statement Summary
 - i. Current month pushes budget down 1.4% below 2019. This brings us to a 5-month General Fund reserve.
 - ii. Committee questioned if the trajectory of losses is beginning to flatten out. Gina noted RITA is providing updates on tax receipts and we are getting a better picture each month.
 - iii. The Finance Department continues to monitor budget implications.
3. Debt Limit Discussion
 - a. Gina introduced Matt Perry who has been working on our Comprehensive Annual Financial Report (CAFR).
 - i. Total debt (Voted and unvoted) is limited to 10.5% of assessed land valuation.
 - ii. Unvoted debt is limited to 5.5% of assessed land valuation.
 - iii. Current land valuation is approximately \$130M
 1. Total debt limit is \$10.7M
 2. Unvoted debt limit is \$7.2M
 3. Outstanding current debt is \$3M
 4. Remaining available debt is \$4.2M
 5. Bond Anticipation Notes (BAN) (not counted until bond issued)
 - a. \$2.75M for Colony road work
 - b. \$1.5M for SR65 roundabout, Vineyard/Groce
 - i. This cost will drop from lower bids and additional grants.
 - ii. Allyson is meeting with TMACOG to review all grants and will be able to provide final numbers.
 - c. Anticipating issuing a note bond to cover both BAN's in July 2021
 6. Yearly payments on current bonds will also lower outstanding debt and increase available debt.
 - b. The committee asked about the bonds funded by TIEF funds. Can we pay them back early to reduce outstanding debt and increase available debt?
 - i. Karen Freeman believes the bond issued in 2000 which was refinanced in 2012 has a 10 year term with a potential "early recall" fee. The committee requested further information on the fee amount for future discussions.
 - ii. The \$2M bond issued for the Harmon Industrial Park does not have a recall or early payback provision. TIEF funds for this are low but will be increasing as the industrial park develops.

- c. Gina further noted that only the principle amount of bonds are counted against debt limits, not interest.
- d. See discussion on debt service tracking sheet below.
- 4. Ordinances for City Council Meeting
 - a. Creation of Fund Account for Coronavirus Relief Funds
 - b. Transfer of Fire Equipment funds to General Fund to cover costs for Engine-30. (\$556)
 - i. This was set up initial as an advance, not a transfer.
 - ii. Tax Commissioner will need to approve language
 - c. Nuisance Abatement Assessments
 - d. The committee had no concerns on these items.
 - e. Gina also is verifying the requirements for the two awarded grants at Vet's Park and the Rossford Marina (CMAG, PEG) to see if special fund accounts must be established.
- 5. Financial Debt Statement
 - a. Gina requested input from other communities on the language they use in their debt statement. We only received one reply. The committee felt that language was more generalized and wanted to stay with some suggested language from Karen Freeman setting either a percentage of total debt as a reserve, or a dollar amount.
 - b. The committee will continue to discuss at the next meeting to make a recommendation.

(Mr. Ruse had to leave the meeting. Without a quorum, the meeting continued with discussion topics only.)

- 6. Debt Service Spreadsheet 2020-2041
 - a. Gina and Karen (from previous efforts) are updating a tracking sheet showing projections out 20 years based on:
 - i. Assumed assessed property valuation (suggested with 1% annualized growth)
 - ii. Updated debt limits (Voted and unvoted)
 - iii. Total outstanding debt
 - iv. Annual payments
 - b. Tracking sheet will be shared with committee members for review and ongoing discussion.

Old Business:

- 1. Position descriptions/Personnel Committee
 - a. No discussion.

Next Meeting: August 24, 2020 at 5:45 pm

Meeting adjourned: 7:15 pm