

City of Rossford, Ohio

Finance and Insurance Committee

Monday, November 9, 2020

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

Meeting called to order at 6:00 p.m.

New Business:

1. Updated 2020 Budget
 - a. Gina reviewed budget versus actual to date. This increased revenues by \$505K. This revised our General Fund balance up to 5.59 months.
 - b. She projected with the other revisions such as increased tax receipts; we may be able to increase actual revenue an additional \$250K which will end the year at or near our target 6-month reserve.
2. Draft 2021 Budget
 - a. The first draft presented at the last F&I Committee meeting was an "all-in" draft showing all discussed projects and expenditures. Gina and Allyson review and prioritized all items with department heads.
 - i. GF budget includes increases in solid waste, 2-3% salary increases, and an additional part-time Zoning employee.
 - ii. The committee discussed assumptions on income tax from Amazon. Gina and Allyson recommended \$350K based on Amazon projections of 500 positions filled by March. Employment levels are planned to continue to grow. The Finance Department will continue to communicate with Amazon quarterly in 2021. If hiring increases, we can increase budget predictions.
 - iii. Capital Improvements budgeted include a salt barn, EP Annex improvements, parking lot paving, a streets/sidewalk Preventative Maintenance Plan, and \$150K for street improvements.
 - iv. Current Public Safety includes the annual patrol vehicle, payback to the GF of \$125K per year for the new engine purchased in 2019 – if approved by the Ohio Tax Commissioner. This budget does not include a fire boat or 24/7 coverage.
 - v. Current proposal shows a 2021 ending General Fund balance of 3.82 months. This is below our recommended 6-month reserve. Committee discussed cutting proposed budget items to reach the recommended reserve amount (Approximately \$1.3M) however with the potential revisions in 2020 GF reserves and the ability to continue monitoring Amazon and other development hiring, we recommend continuing with the budget as proposed.
 - vi. Gina noted a Bond Anticipation Note rolling over multiple short-term financed projects will be issued in June or July. We will want to have a good handle on our projected GF reserve before that date to guarantee the best interest rates.
 - b. Densic asked to have a single sheet showing 2020 budget versus proposed 2021 budgets by each fund account. Gina will compile and send to the committee members.

3. COVID19 CARES Act Expenses

- a. Allyson noted we have five employees currently out with positive COVID tests or possible exposure. This is hitting our Police Department and has increased labor costs for overtime, or required paid assistance from neighboring communities.
 - i. Gina received confirmation from the state Auditor that additional labor costs and outside resource costs due to COVID are approved for reimbursement via an ordinance that serves as an encumbrance.
 - ii. Allyson and Gina reviewed potential risks and recommend \$70-75K be encumbered for these costs. They recommended rescinding several items from previously approved reimbursements that have not been spent and redirecting to labor costs.
 1. VOIP Phones, Network upgrades, File and Backup Server, Donation to RBA
 2. The state Auditor also confirmed a donation to the RBA would fall under the Sub-recipient arrangement and would require full monitoring and administration by the City. The committee agrees this item should be redirected.
 3. Committee would like to see if we can have the flexibility to encumber costs to either the labor needs or the phone, network and server items. We will discuss with the Law Director.
 4. All funds must be encumbered by November 20th therefor this will need approval at the 11/9 council meeting.
 5. Motion by Densic, Second by Ruse for recommendation as noted. All Aye.

4. Debt Limitation Language – City Financial Statement

- a. Gina provided update language on long-term debt as recommended by our Bond Counsel. Changes are highlighted for the committee to review.
- b. Gina also presented a proposed draft for Long Term Financial Planning.
 - i. This section contains the language recommending a 6-month GF reserve. If the reserve drops below 6-months, the City will begin to institute budget balancing strategies
 - ii. This section shall be revised to indicate the City shall always maintain a minimum of a 3-month GF reserve unless council approves a temporary emergency provision by a 3/5 majority. The emergency provision shall designate the maximum length of time to be below the minimum level and shall include necessary budget adjustment strategies to return to above minimum levels.
 - iii. The committee will review and comment for final recommendation at the November 23 F&I Committee meeting. An ordinance with the revisions will be presented to council for final approval. This item needs to be completed by the end of the year.

Old Business:

1. Position descriptions/Personnel Committee – No action.

Meeting adjourned: 6:55 pm

Next Meeting: November 23, 2020 at 5:45 pm