

# City of Rossford, Ohio

## Finance and Insurance Committee

Monday, February 22, 2021

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

Meeting called to order at 5:45 p.m.

### New Business:

1. Review of Credit Card Invoices:
  - a. No questions or concerns.
2. Month End Summary
  - a. Gina updated 2020 year end based on actuals which results in a 9-month General Fund reserve. This will help us with better rates on any bond offerings.
  - b. January GF revenues are 23% behind 2020 which is primarily due to delays in collections. Hotel/Motel taxes are down as well as the Franchise Fees for cable which was replaced last year with a new Video Service Provider Fee. It was noted as cable subscribers drop and change to streaming services these receipts will continue to drop.
3. Vehicle Leasing
  - a. Terms of leasing options were reviewed.
  - b. Robert suggested looking at a purchase option financed over 3 years. Based on state pricing and current interest rates we could see a substantial savings on interest alone.
  - c. Gina will examine finance options.
  - d. Motion by Ruse to recommend amending ordinance to financed purchase of three vehicles rather than the lease option. Second by Oberdorf. All aye.
4. Backhoe Plan
  - a. Previous finance was an outright purchase. The committee asked current status and condition – to be discussed with administration and Public Works.
  - b. Intent is to use the outright purchase option due to the low prices offered by state pricing. At the end of a period of time we can look at trading back in or continued use. Todd Audet mentioned this is the methodology ODOT uses.
5. Debt and Financing Options
  - a. Currently we have two “Bond Anticipation Notes”. (\$2.5M and \$1.5M) These numbers were “maximum” amounts of projects. Actual project costs were lower and had additional offsetting grant revenue. Allyson and Gina will review overall to have final statement on outstanding BAN value.
  - b. Current unvoted debt capacity is \$4.6M.
  - c. Options include:
    - i. Roll over BAN’s into a new 1-year BAN. This offers a lower prep fee. (\$30K compared to \$125K)
    - ii. Convert outstanding BAN debt into fixed bond. (Term to be discussed)
    - iii. Convert BAN into fixed bond and refinance other higher interest debt.
  - d. Current bond rates vary from 1.45% to 1.75% based on term length which are lower than the BAN rates.
  - e. We have the option to pay off bonds early.
  - f. Committee requested updated BAN numbers and a meeting with Bond Counsel.

Old Business:

1. Administrative Salary Increases
  - a. No update or recommendations at this time.
2. RFRD Staffing
  - a. No updates at this time.

Meetings adjourned at 6:46 pm

Next meeting March 8, 2021 at 6:00 pm to discuss bond options.