

Audit/Finance Committee Meeting Minutes

November 20, 2020

8 AM City Commission Chambers

Committee Attendees: Reeder, Nickles, Stahl, Wobser, Tomasula, Murray, and Brady.

Nickles began the meeting asking for approval of the October 23 meeting minutes. Stahl motioned for approval, and Tomasula seconded the motion. All Ayes, minutes were approved. Nickles thanked Brent Gardner for his help in reviewing the property and casualty insurance quotes that the City received. The City is saving \$115,000 over the insurance quote we received last year. Nickles also wanted to thank Tomasula and Moncher for their time in reviewing the investment advisor qualifications.

Reeder explained that each member of the Investment Advisor Selection Committee, scored each of the qualifications that we received, and Meeder Investment Firm was the highest ranked firm. Meeder is located in Dublin, Ohio and has over twenty-five years of investment experience with public entities. Nickles stated that the Finance Committee concurs with recommendation of the selection committee.

Reeder explained the Bureau of Worker's Compensation has recently passed a \$5 Billion Dollar back program, that will refund to the City 372% of the 2019 BWC premium we paid. This will equate to nearly \$1.5 million back to the general fund. Nickles asked how much we have received in aid this year. Reeder explained we have this nearly \$1.5 million, another BWC refund we received in November for \$420,000 and the initial refund from BWC this year was over \$200,000. We also had over \$1.6 million in CARES Act funding. Nickles asked about the payroll stabilization fund. Reeder explained that we began the year with over a million dollars in the fund, we have about \$490,000 of payouts that will come out of this fund for the employees have left employment this year, we also paid the 27th pay out of this fund. We expect a balance of \$145,000 in the payroll stabilization at the end of the year. Reeder explained at this time there are 6 known retirements in 2021, three of these retirements are expected in January. We are budgeting \$210,000 to be funded into the payroll stabilization fund in 2021. With the estimates for retirement at this time, we should have a balance of \$160,000-\$170,000 available at the end of 2021 in the payroll stabilization fund. These payouts could vary, as employees utilize time prior to their retirement. Nickles stated as we extra funds, putting those funds back into the payroll stabilization fund would be wise.

Reeder stated the end of the year cash balance in the general fund is expected to be around \$4.7 million dollars, which is great considering the year that we have had. Reeder stated that our revenue has not been great this year, we currently have \$15.6 million in revenue, where we budgeted over \$24 million in revenue. We are estimating to collect \$18.7 million in general fund revenue this year. Nickles and Wobser thanked Commission Murray for the push for fiscal discipline. It has been a great team effort this year on the cuts we have made to land the City in a good financial position this year. Obviously, we are grateful for the stimulus dollars we have received to help offset our losses this year. Stahl stated the price of Cedar Point stock has rose drastically and stated that the people must really believe in Cedar Point making a great come back.

Reeder explained the 2021 Budget. We have general fund revenue at \$17.8 million, we wanted to keep these figures conservative. Expenditures are at \$19.8 million; this puts us at deficit spending amount of \$2.1 million dollars next year. Nickles reminded everyone that Mike Sudsina in his presentation last month, stated this would be an okay cash balance for the city to carry. Reeder stated we will continue to control the expenses to the best of our ability. Nickles stated that he never thought we would be in the position that we are at this time, he really expected to have a much bleaker outcome this year. Brady thanked Commission Murray for the push early on to be conservative. Murray thanked him for the remarks and wanted to remind us that we are not out of the woods yet.

Nickles stated the next meeting will be December 11, 2020. Nickles stated we will discuss the 2021 budget again at the December meeting, and can recommend to Commission the approval of the budget.

Reeder stated we are at 223 full time employees at the end of October, we started the year with 253, we are down 30 full time employees. Wobser explained that we are working to get the police department fully staffed in 2022 and the Fire department is fully staffed with the exception of the Fire Chief. We have interim Chief Jim Greene that has filled the chief vacancy and we would like to hold off on filling the chief position. Nickles thanked Reeder and Wobser for working together to make this year the best it could be.

The next meeting will be on December 11, 2020 at 8:00 a.m. Nickles would like to continue with the monthly meetings in 2021. We can cancel a meeting if we decide it is not necessary to meet, but we will start with a monthly meeting again in 2021. Nickles adjourned the meeting at 8:25am.