

Chairman Nickles called the meeting to order.

Members present: Naomi Twine, Steve Tomasula, Allen Nickles (Chairman), Craig Stahl, Brian Allen, Eric Wobser (City Manager), Michelle Reeder (Finance Director), Dennis Murray (City Commissioner)

Ex-Officio members and staff present: Sally Martin

Members absent:

Upon motion of Ms. Reeder and seconded by Brian Allen Audit/Finance Committee members Dan Moncher and Jim Ruthsatz were excused.

APPROVAL OF MINUTES

Upon motion of Ms. Twine and second of Mr. Tomasula, the members voted to approve the minutes of the June 24, 2022 meeting. Chairman Nickles declared the motion passed.

NEW BUSINESS

- **August 2022 Financial Review**

Ms. Reeder presented the August 2022 Financial Review. She shared that the second half of property taxes come in in August, which equated to about \$756,000 this year. Income Tax is coming in strong. Year to date the city is at \$9.4 million in income tax. Total general fund revenue through the end of August was \$19.6 million. Expenses year-to-date for the general fund were just over \$17 million. The city is sitting at \$8.6 million in expenditures in wages and fringe benefits this year. The first initial draft version of the 2023 budget will be out November 1, 2022. The general fund cash balance at the end of August was \$7.4 million. At the end of August, the city had 240 full-time employees.

Ms. Reeder noted that the various purpose notes that the city issued are closing next week.

- **Justice Center Project Update**

Ms. Reeder provided a brief background on the Justice Center project including the architecture estimate of rehabbing 222 Meigs Street of \$13.1 million. The city received a bid of \$10.6 million from Mosser Construction. There were eight bids total on the project. The total project is \$10.6 million and \$375,000 for furniture and fixtures and equipment (estimate). The total project is around \$11 million. The city has \$2 million of available cash up front. There is a total of \$9 million needed to be financed.

Mr. Sudsina and Mr. Spafford from Sudsina and Associates provided information for the financing of the Justice Center Project. Mr. Sudsina shared that they are focused on the debt limitations of the city to make sure there is plenty of room in case the city needs to

borrow in case of an emergency. Mr. Sudsina shared that in the case of the Justice Center, he suggested that instead of a traditional bond issue that the city does a certificate of participation issue, which is basically a lease/purchase transaction. Because it's a lease/purchase transaction, it is not considered debt by state statute, so it would not go against debt limits. Mr. Sudsina provided a further explanation and answered questions from committee members regarding a certificate of participation issue. Commissioner Murray asked if TIF Bonds count toward the city's debt limits. Mr. Sudsina shared that TIF Bonds are general obligation bonds so they are considered the same by investors as other general obligation debt. Commissioner Murray asked about the timing of the pricing, to which Mr. Sudsina shared it should be late November. Commission members discussed the difference between using general obligation debt versus using certificate of participation. Ms. Reeder reminded the committee members of future projects such as a Recreation Center and the Landing Project, that will need to be backed by general obligation.

Commissioner Murray moved to recommend to the city commission that they stay in short term notes, with the option to go to a bond funding or a certificate of participation funding in one year or 18 months, with the qualification that if what is being proposed delays any of the other capital projects, that they proceed as recommended. Ms. Twine seconded the motion. The members voted to approve the motion.

PUBLIC PARTICIPATION

- None

EXECUTIVE SESSION: 2021 AUDIT

Mr. Nickels asked for a roll call to go into an executive session to discuss the 2021 Audit. Roll Call: Naomi Twine - Yes, Steve Tomasula - Yes, Allen Nickles - Yes, Craig Stahl - Yes, Brian Allen – Yes. The committee moved into executive session.


Ms. Twine motioned to accept the 2021 Audit Report. The motion was seconded by Mr. Murray. Roll Call: Naomi Twine - Yes, Steve Tomasula - Yes, Allen Nickles - Yes, Craig Stahl - Yes, Brian Allen – Yes. The motion was carried

NEXT MEETING:


- December 16, 2022
 - NOTE: This meeting has been rescheduled to Friday, December 9

ADJOURNMENT

Upon motion of Ms. Twine and seconded by Mr. Tomasula the members voted to adjourn.
Chairman Nickles declared the meeting adjourned.



Attest: Michelle Reeder
Finance Director
Date: 12/9/22



Attest: Allen Nickles
Chairman
Date: