

Chairman Pro Tem Moncher called the meeting to order.

Members present: Naomi Twine, Steve Tomasula, Craig Stahl, Brian Allen, Jim Ruthsatz, John Orzech (City Manager), Michelle Reeder (Finance Director), Dennis Murray (City Commissioner). Al Nickles joined after the start of the meeting.

Ex-Officio members and staff present: Sally Martin

APPROVAL OF MINUTES

Upon motion of Mr. Murray and second of Mr. Stahl, the members voted to approve the minutes of the September, 2022 meeting. Chairman Pro Tem Moncher declared the motion passed.

NEW BUSINESS

- **2023 Meeting Dates**

The Audit/Finance Committee will meet on the following dates in 2023:

- February 17, 2023
- June 23, 2023
- September 15, 2023
- December 8, 2023

- **November 2022 Financial Review**

Ms. Reeder shared that, in regards to the Justice Center notes, they ended up doing short-term notes with two bidders. Best bid was from Key Bank Capital Markets. Net interest cost was 3.995%. Next year they will look for long-term financing.

Ms. Reeder presented the November 2022 Financial Review. She shared that through November of 2022, the city has collected \$12,982,801 in income tax revenue, \$9,313,046 in admissions tax, and \$1,813,674 in Lodging tax. The city has collected \$30,679,028 in general fund revenue through November 2022. General Fund expenditures are at \$27,990,442 through the end of November. Cash Balance was \$7,582,109. There was a total of 244 full-time employees at the end of November.

- **2023 Budget Discussion**

Ms. Reeder shared that per the City's charter, the budget cannot be passed by the city commission until the first commission meeting in the new year. Per Ohio Revised Code the city must have a budget passed by the end of March. Ms. Reeder highlighted items that were changing for the 2023 budget. Ms. Reeder shared that the city is contractually obligated to provide raises for the three unions, Police, Fire and AFSCME. She went on to add that the Benefits Review Committee met and has recommended to the Audit/Finance Committee a 3% increase for non-probationary administrative employees in 2023.

Mr. Murry made a motion to approve the recommendation of a 3% increase for administrative employees for 2023. Mr. Moncher seconded the motion. The members voted to approve the motion. Chairman Nickles declared the motion passed.

Ms. Reeder noted the increase in the police force. This is due to the agreement with Cedar Point for the city to take over policing duties. Cedar Point will be paying for five new officers. There is an increase in three new firefighters for the 2023 budget. The city is seeing a 22% increase in health insurance costs for 2023. Ms. Reeder noted there will be a couple of changes in account numbers for better tracking. The budget will depict inflation, including a rise in cost of supplies, dispatching, chemicals and services. Ms. Reeder added there is about \$12 million in American Rescue Plan Funds left to spend. She shared that they are estimating \$29,389,050 in General Fund Revenue for 2023. Income taxes make up 42%, 29% comes from admission tax, 10% from departmental revenue, 6% from property taxes, 6% from lodging tax, 2% from the local government share, 2% from interest earnings, and 2% from miscellaneous sources. Parking tax for next year is estimated at \$550,000. Ms. Reeder shared a high-level overview of the 2023 budget as broken down by fund. Mr. Stahl asked about payroll stabilization and the decrease for 2023. Ms. Reeder shared that they have used \$191,303 in 2022. Ms. Reeder added that they are aware of a few retirements for next year. She feels the \$345,000 is a good number knowing how much was spent in 2022. Currently the payroll stabilization fund has \$399,667. The \$191,303 will come out at the end of December. There will be a transfer of \$195,000 at a minimum going in also this year. There will be over \$400,000 in payroll stabilization at the end of 2022. Total budget for 2023 is at \$89,557,127. Total count for employees for the 2023 budget is 257. Target balance for general fund cash reserve in 2023 is \$6,000,000. Ms. Reeder briefly touched on the Municipal Court budget and discussed the Water and Sewer Funds.

Mr. Moncher made a motion to recommend the first reading of the 2023 Budget to the City Commission. Mr. Ruthsatz seconded the motion. The members voted to approve the motion. Chairman Nickles declared the motion passed.

PUBLIC PARTICIPATION

- **Sharon Johnson**

Ms. Johnson asked when the final budget was due. Mr. Murray shared that the budget is due no later than the last meeting in March. Ms. Reeder shared that the budget will go to city commission for the first reading at the December 12, 2022 meeting. Per the city's charter, it cannot be passed until the first city commission meeting in January.

Ms. Johnson asked if a 3% raise is a bit steep since we're going into a recession. Committee members shared that Social Security went up 8.7%. Mr. Nickles added that

you are going to have to pay for good people and he doesn't feel the raise is out of line. Mr. Moncher added that the city is contractually obligated for three of the raises per union contracts.

Ms. Johnson asked when the capital budget was due. Mr. Nickles shared that it was mentioned that during the February meeting, they would be going through the capital budget.

Ms. Johnson asked about the \$400,000 increase for chemicals. Ms. Reeder shared that it did go out to bid. Committee members touched on the increase in costs as well as supply chain issues.

Ms. Johnson shared that she is concerned with the Municipal Court being \$40,000 in the red.

- **Dick Brady, 1625 Willow Drive**


Mr. Brady shared, in regards to Ms. Johnson's questions about the chemicals, it is a competitively bidding process and for every chemical bid, the city received between two and five separate bides from separate companies.

NEXT MEETING:

- February 17, 2023

ADJOURNMENT

Upon motion of Mr. Allen and seconded by Mr. Stahl the members voted to adjourn. Chairman Nickles declared the meeting adjourned.



Attest: Michelle Reeder
Finance Director

Date: 2/17/23



Attest: Allen Nickles
Chairman

Date: 2/17/23