

BUDGET AND FINANCE COMMITTEE
Meeting Summary
August 9, 2021

Attendance:

Brian Mueller, Chair
Scott Gehring, City Council
Tom Henning, City Council
Tom Moeller, City Manager
Lori Thompson, Assistant City Manager
Robert Paul, Treasurer
Kristie Lowndes, Assistant Treasurer

The meeting was called to order at 6:30 PM.

1. **2022 Madeira Indian Hill Joint Fire District Budget.** Mr. Gehring presented the latest information from the Joint Fire District (JFD) regarding the proposed budget for FY2022. He noted there is a \$200,000 increase (\$100,000 for each city) being proposed to further develop the staffing into full-time professional positions with less reliance on part-time personnel. The increase reflects the addition of 2 full-time positions and, therefore, decreases the amount of funds needed for part-time personnel. He noted this is part of the long range plan to transition the department toward more professional staffing and to reduce the staffing issue related to filling open shift positions with part-time personnel. All departments in the area are having similar problems as part-time personnel which meet the standards of the JFD have been substantially reduced over the years. Mr. Gehring stated he has spoken with the Indian Hill council representative, Don McGraw. He appears to be in agreement that Indian Hill will approve the budget once it is finalized. Mr. Mueller stated that he will report the recommendation on the JFD budget to City Council at the August 9th Council Meeting.
2. **Monthly Financial Report/June 2021.** Mr. Moeller reported on the following:

General Fund Revenue

- **Real Estate/Property Tax.** Total for YTD is \$1,551,717 vs. \$1,364,538 YTD 2020 (+13.7%). **NO CHANGE**
- **Earnings Tax Revenue.** Total YTD is \$2,327,615 vs. \$1,526,478 YTD 2020. (+52%)
- **Admissions Tax Revenue.** Total YTD is \$107,675 vs. \$98,368 YTD 2020. (+9.4%)
- **Rollback and Homestead.** Total YTD \$194,148 vs. \$173,440 YTD 2020 (12%). **NO CHANGE**
- **JEDZ Tax/Fee Revenue.** Total YTD is \$317,809 vs. \$304,668 YTD 2020. (+4.2%)
- **Fine/Forfeitures/Court Costs.** Total YTD \$33,725 vs. \$34,697 YTD 2020 (-2.6%)
- **Building Permit Fees.** Total YTD is \$95,382 vs. \$67,431 YTD 2019. (+41%)
- **Interest Income.** Total YTD is \$2,401 vs. \$23,689 YTD 2020 (-90%).
- Total GF Revenue is \$4,851,293 YTD vs. \$3,828,818 YTD 2020. (+26.7%).

General Fund Expenses

- General Fund Expenses YTD 2021 \$3,529,331 vs YTD 2020 \$3,552,004 (-1.5%).
- Expenses are tracking “on budget” through the first six months of FY2021

Street Fund

- Revenue Total YTD 2021 \$331,890 vs. \$293,226 YTD 2020 (+13.2%)
 - Revenue is still lagging behind projections (although we have increased by 6% over May 2021) as we should be 20%-30% ahead of the current amount as a result of the state gasoline tax increase in 2019.
3. **American Rescue Plan Funding Update.** Mr. Moeller reported we have not received the first half funding as of this date. We are still scheduled to receive a total of \$960,000 with 50% received now and the remaining amount later this Fall. He stated that staff continues to attend informational meetings regarding the use of the funds and any limitations. He noted we are certain that funds can be used for water main replacements. He also noted that using the funds for storm water projects (such as replacing the culvert at McDonald Commons) may require justifying the project as a “water quality” matter. He believes the City can prepare the appropriate documentation in the event we use the funds for storm water work. Mr. Mueller stated that since the amount of funds has been substantially reduced from the original reported allocation, he is recommending the City no longer consider granting funds to designated “non-profits. All committee members voiced agreement, but the committee decided to wait until the ARPA funds are received before making a formal recommendation to City Council.
 4. **Independence Day Fireworks and Festival Financial Report.** Mr. Mueller presented a spreadsheet with revenue and expenses for the event (see attached). He noted the following:
 - The event generated net revenue of approximately \$13,000 through the sale of beer. This is substantially more than the annual Street Dance. Net cost for the event was approximately \$22,000, mostly due to increased costs for the band, fireworks, signage and payment to groups to staff the beer booths. These extra costs were supported by Council in light of 2020 cost savings and to ensure the first event following the end of pandemic restrictions was a success.
 - Previous years the event had a net cost of \$13,000-\$14,000.
 - He stated some of these costs were one-time larger expenses due to the event being relocated to McDonald Commons. He noted these costs can be reduced next year with additional planning and implementation. He will continue to work with the Park Board to bring the event closer to a break even position in future years.

- He asked Mr. Moeller to poll the employees to determine if there is an issue regarding scheduling the event on a Saturday as the Board is considering holding the event on Saturday, July 2, 2022.
- 5. Financial Indicators Report Update.** Mr. Henning presented the most recent draft of the Financial Indicators Report to the committee in advance of making a presentation to City Council at the August 9th meeting during the committee report. He noted the updates in the categories related to the City’s “fiscal health” as depicted through the Auditor of State. Mr. Henning thanked the committee and staff for their assistance in preparing the data for the report.

The meeting was adjourned at 7:15 PM.

Brian Mueller, Chair