

FINANCE COMMITTEE MINUTES
OF AUGUST 17, 2020

Municipal Council of the City of Vermilion
Vermilion Municipal Complex, 687 Decatur Street, Vermilion, Ohio

In Attendance: **Vermilion City Council:**
Steve Herron, President of Council; Monica Stark, Council at Large; Emily Skahen, Ward One; Frank Loucka, Ward Two; Steve Hologacs, Ward Three; Barb Brady, Ward Four; Brian Holmes, Ward Five; Gwen Fisher, Certified Municipal Clerk

Administration:
Jim Forthofer, Mayor; Chris Howard, City Engineer; Amy Hendricks, Finance Director; Tony Valerius, Service Director

Call to Order: Barb Brady, Chairperson, RESOLVED THAT this Finance Committee comprised of the committee of the whole does now come to order.

TOPIC ONE: General Budget Update/GAAP Consulting Proposals

Amy Hendricks, Finance Director reported she sent out to Council today a revision to the Appropriations that includes an adjustment, both revenue and expense of \$13,940.00 for the Port Authority Operating. She had a mid-season review with Mr. Yancar and determined these were realistic estimates to give them more of an appropriation in their operating as they have been running tight so far this year. She asked if Council would consider emergency passage on the appropriation ordinance, so they can carry this into September as active.

Overall, as far as general budget and the impact from the pandemic, the city received their income tax payments. This is still reconciling people who paid final returns for 2019, plus estimated payments for the first two quarters of 2020 and current withholding. The city's overall on income tax (both road levy and general fund) are only about 2 1/2 % below projected for the year. She would contribute most of this to the late filing deadlines. She did also log into the RITA account to get the latest as of Friday as far as withholding that comes to the city directly from the local employers. The city was down based on last year by \$8,699, which could be a signal of some declining payroll, but the difference could also mean the difference in the payroll calendars from year to the next. She said right now things are holding their own, so there is not a real big crisis at this point. She will continue to watch this and will give Council the best information she has on any given time.

With regards to the GAAP Consulting Proposal, she reported last month the failure to file for the 2019 Financial Statements by the city's GAAP Consulting firm. She has been in communication with them since this time and most recently had been ensured that the report would be completed. However, it was not. Therefore, she had a long conversation and there was no excuse and no lack of urgency expressed. Immediately following the city's last council meeting, she asked for proposals from

two firms that she had worked with in the past. One of the proposals came through at a three-year average of \$19,300 per year to do the conversion. The second one came through at \$11,900 and currently with Lennon & Associates the city is paying \$11,500 per year. Therefore, she feels strongly that the city needs to make a change and move forward, so they have spoke with Jillian & Group in Columbus, which is a common and good firm. She made the commitment with them to go with the three-year agreement to lock in a good price. She said Lennon & Associates did talk with the Auditor of State's office and they have agreed at this point because the city was not at fault to simply have a verbal warning of the failure to file, so this isn't something that will be cited against the city.

Also, at the September 14, 2020 Council meeting she would like to invite the gentleman from Sudsina & Associates to talk about the next round of refinancing.

She gave a general reminder to the public of the online payment sweepstakes that is invoiced by Invoice Cloud. She advised the public to register for the online services to get e-bills and get entered to win some Amazon gift certificates paid for by the vendor.

After no further discussion came before the committee, B. Brady adjourned the meeting.

Next Meeting: September 21, 2020 @ 7:00 p.m. at the Vermilion Municipal Complex, 687 Decatur Street, Vermilion, Ohio

Gwen Fisher Certified Municipal Clerk