

FINANCE COMMITTEE MINUTES
OF FEBRUARY 8, 2021
VIA ZOOM

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

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: Parks Bond Update

Amy Hendricks reported they had two bidders for the parks bond, and it generated \$597,000 and the closing will be next week.

TOPIC TWO:2021 Budget

Amy Hendricks said Council has the initial draft in front of them that is reflective of their actual appropriations for the year, and this version is putting in the fixed cost for personnel, utilities, and some basic needs and tech updates that are not of a large scope. She said in the operating fund the mayor alluded earlier to revenue losses and the city ended the 2020 year with \$3.6 million in the general fund and the estimated revenue thus far is just under \$6 million, which leaves them \$9.5 million available, and the estimated expenses are \$6.3 million. This leaves them a remaining \$3.275 million. However, she will see if there are some additional places they can trim. It will give them an operating year deficit of a little over \$370,000 that they would be going into their carryover balance. She would like to avoid this in any shape or form unless it is an emergency. She said with regards to the road levy (fund 200) after their basic routine expenses are met – she has a list of projects that were provided to her from T. Valerius and C. Howard that are on the dockets for this year that are included in the budget. This includes Sunnyside Road, Mapleview Drive, Urban Paving, and a small amount for Safe Routes to School, Vermilion Road, curb ramps that are related to downtown urban paving and crack sealing. This leaves about \$873,000 potentially available for other things. This is a fund that is impacted just as the general fund as it relates to the pandemic because fuel taxes have been eroded. Last year they were going to receive an additional \$300,000 in the changes of the fuel taxes, and the city ended up with a half of that. She said the streets M&R are the funds that are impacted and there is only about \$13,000 left after they meet their basic needs. She said they started the year with

\$300,000 in permissive use – anticipating \$233,000 – this is another area from car registrations and things like that have been down with extensions offered. Again, revenue will be something to watch, so it leaves about \$286,000 in permissive use. The water fund after the basic operating expenses is paid for the year, looks like it will have \$1.5 million available for things like water main projects. Wastewater has about \$600,000 available and hopefully they will be picking up some additional revenue with the new meters. She said the EPA funds are rebuilding after projects and there is about \$140,000 available for projects.

She said council can feel free to reach out to her with questions. She said they should be able to have three readings on the budget ordinance.

M. Stark questioned the boards and commissions salary as the number seems low. A. Hendricks said it would be under a salary line item. She will review the numbers.

B. Brady asked S. Herron if he still needed to have a work session on projects they may want to consider. S. Herron said they can, but they are doing a work session on February 22 for transient rentals, so they can discuss this after the budget is passed. S. Herron asked Council to bring any projects they would like to see in their ward at the next Finance meeting, so the administration could review it. A. Hendricks said if council has any requests from committees they serve on, then they can bring this forward at that time as well.

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

Next Meeting: March 8, 2021 at 7pm via ZOOM.

Gwen Fisher Certified Municipal Clerk