

FINANCE COMMITTEE MINUTES OF NOVEMBER 13, 2017

Municipal Council of the City of Vermilion
Municipal Complex, 685 Decatur Street, Vermilion, Ohio 44089

In Attendance: S. Herron, M. Stark, F. Loucka, J. Forthofer, B. Holmes, B. Brady, G. Fisher, B. Keller, Captain Graham, Mayor Bulan, T. Valerius. Absent: L. Miggins, F. Ostrander

Call to Order: Monica Stark, Chairperson, RESOLVED THAT this Finance Committee of the whole does now come to order.

TOPIC ONE: Review of Ordinance 2017-46 (Insurance Renewal Contract)

Jerry Pearl of Allen-Thorley Insurance Partners reported their policy is written with Travelers Insurance Company. He presented council with Exhibit A of the ordinance that outlines all the lines of coverage and the limits of insurance. This year's total annual premium for the city is \$256,467.00 which is a 1.5% increase from 2016. They did increase some of the city's properties and their values. They also added the docks being used by the Port Authority. Also, the fence around the cemetery was insured. He said the city has a \$2 million underlying policy for liability and a \$5 million umbrella, so together the city has \$7 million in coverage. He said the city had some lawsuits that toyed around with the insurance numbers. The city does have cyber coverage as it's becoming more prevalent.

F. Loucka asked what the deductible is on the docks and J. Pearl believed it was \$1,000. B. Brady asked if the city did an inventory of the city buildings. J. Pearl said they did update the inventory which may have tweaked the numbers.

TOPIC TWO: Review of 2017 Budget

B. Keller provided council with actual budget comparisons for 2015, 2016 and 2017. He also listed the actual expenses the city has incurred. He noted he hasn't added the annual longevity payment to the 2017 budget as it's paid out on the second pay period in November. Therefore, some of the wages will increase as well. Also, there is a column where he compared the budget versus the actual, which is an internal gage he likes to use to make sure they are way over or way under. Overall, he is very happy and satisfied with the performance of the budget. There are only a couple areas he would like to improve on next year.

S. Herron addressed the municipal court budget because it shows low numbers, but the 2016 actual seems to show a deficit. B. Keller clarified that the numbers shown in parenthesis is an under budget item which is a good thing. It's not a negative number.

B. Brady said it seems from the reports that the city is \$619,000 under from last year's budget in the general fund. She said in permissive use it shows it's down \$166,000. They spent less in 2017 than they did in 2016; \$82,000 in personnel services alone. B. Keller said this is money they use for all the street repairs and they still have the rest of the year which will change that number. B. Brady asked where the museum money is coming from. She is aware they had donations to buy it, but how are they funding it. B. Keller said part of it is from the carryover balance from prior years. They will be reallocating some of those expenses to the park levy fund for capital expenditures. B. Brady thought this was asked and answered at one point and it was a "no". B. Keller said it is just a reclassification. There was an architectural appraisal that was done and they are just reclassifying it. B. Brady said sewer and water spent a lot less money this

year. She asked if the city is still expecting a \$200,000 - \$300,000 carryover in the general fund and B. Keller said yes it is around those amounts.

After no further discussion came before the committee, Chairman Stark adjourned the meeting.

Next Meeting: December 11, 2017 @ 7:00 p.m.

Gwen Fisher Certified Municipal Clerk