Special Finance Committee Meeting
Monday, November 1, 2021 - 5:00 pm
AGENDA

1. Call to Order
2. Asset Value Quotes
    a. Asset Control Solutions Inventory Proposal
    b. HCA Asset Inventory Proposal
    c. IAC Agreement
3. Bed Tax Ordinance
    a. Transient Occupancy Tax
4. Budget 2022 Review
    a. ARPA Funds - Sub Budget - breakdown between categories and Revenue vs Expense and proposed items to fund from this bucket.
    b. Bonded Monies - Review of current State (Revenue vs Expenditures) and proposed items to fund from this bucket
    c. Budget - Line item questions
    d. Police Department - General Fund Requests
5. Other Business
6. Adjourn

2021 Committee Goals

1. Multi-year CIP Plan; Manager to provide quarterly
2. Get Budget Stabilization Fund back to $500,000
3. Keep water sewer & rate increase to less than five percent
4. Meet annual budget deadlines

ASSET CONTROL SOLUTIONS, INC.
2040 E Algonquin Rd ▪ Suite 506 ▪ Schaumburg ▪ IL 60173 ▪ Phone: 847.838.2600 ▪ Fax: 630.597.2500

October 19, 2021

Ms. Dana Steffan
Finance
Village of Johnstown
599 South Main St.
Johnstown, OH 43031

Dear Dana:

Thank you for the opportunity to present our service proposal. We offer cost-effective asset inventory solutions. Our unbiased professional service and support finally make asset control and obtaining insurable values simple and reliable.

The staff at ACS has extensive experience in areas of GASB 34 implementation and insurance valuation. ACS asset reporting is delivered to your desktop in real-time allowing for instant auditor feedback. We understand and evolve to meet your individual fixed asset needs.

The following few pages outline our service intent. If you have any additional questions or concerns, please do not hesitate to contact me.

Respectfully submitted,

Sean R. Rager CPA
President

We propose to inventory, evaluate and report on the buildings, movable assets and site improvements of the Village of Johnstown. The scope of our engagement will involve onsite inspections by uniformed professionals at TBD locations with an approximate total area of TBD square feet as specified by the Village of Johnstown listed later under “Agreement”. Rest assured, all uniformed Asset Control Solutions Inc.’s (ACS) Field Professionals have been fingerprinted by Illinois Law enforcement and background information approved in several states as required.

ACS will physically inspect assets at and above the $1,000.00 GASB 34 Capitalization threshold. These assets will be tagged and recorded in full detail including manufacturer, model, serial number and tag number. GASB 34 depreciation with associated fund and function detail will be presented when historical cost exceeds the GASB 34 threshold of $1,000.00. Assets will be categorized and reported by location and general area within that location. Real-time reporting will be available online within 10 business days of the onsite inspection. Your data is securely stored and backed up remotely thus reducing your operating cost of storage and system administration. Data can easily be printed or stored locally as a Microsoft Excel™ file or integrated into most accounting packages. Printed reports can be provided upon request, but not needed.

Asset categories reported in detail and summary include:

- Buildings and Structures
- Infrastructure such as bridges, toll roads, and sewer systems
- Movable Equipment
- Site Improvements (insurable and uninsurable)

Web based reports communicate the following by asset class and location:

- Acquisition data (reasonably matched from current electronic records or estimated accordingly)
- Asset life
- Current and accumulated depreciation
- Salvage value and net remaining book value
- Fund and Function
- Special fields for flags and notations

Excluded from the services described by our proposal are:

- Leased equipment under an operating lease (recorded for insurance when necessary)
- Expendable inventories and supplies
- Personal property of employees or others as identified
- Assets in or at locations locked away or otherwise not easily accessible *

**When assets are not easily accessible, we will consult with the Village of Johnstown to reasonably gather the assistance or information necessary to complete the survey.*

“Special Assets” such as land, technology, athletic uniforms, band instruments, library books, radios, computer software, fine arts, historical treasures, and other special assets can be incorporated into the property record based on information provided to us by Village of Johnstown and reported accordingly.

Buildings

The inventory and valuation will include an inspection of the TBD locations listed later under "Agreement" as supplied or approved by Village of Johnstown. Building component classifications will be comprised of General Construction, Plumbing, Heating/Ventilating/Air Conditioning, Electrical System, Sprinkler System, Roofing and Fixed Equipment allocations. *Please have fire escape and/or site maps available prior to site visit.*

Movable Equipment

Manufacturer, model and serial number will be recorded for assets exceeding the $1,000.00 threshold by physical inspection when readily accessible for viewing. Assets that are secured, immobilized by wiring, or subject to damage by moving will be listed and described without serial numbers. (When serial numbers are made available, the items will be reflected in the report and fully documented.)

Site Improvements (Insurable and Uninsurable Land Improvements)

The site improvements will consist of: Lighting, Fencing, Signs, Playground Equipment, All Weather Track, Outside Property, Score Boards, Bleachers, Storage, Parking Lots, Sidewalks, Curbs, Retaining Walls, Etc.

Support

ACS made asset inventory easy. We are always available for your support.

Depending on your needs, we will work with you to make an easy way for you to report changes if you choose. If you have a large asset order that you want to tag immediately, please email your account rep with your needs in advance. Please note, we will tag and detail these items the following year during our next study.

Field Work Plan

1. Our work plan will begin with ACS receiving the signed agreement via fax, mail, email etc.
2. Our scheduling department will then contact you to determine a convenient time for you and your staff to attend a kickoff meeting and have ACS out to perform the onsite fieldwork.
3. Kickoff meeting documentation and other advance needs will be communicated in advance
4. Photographs of onsite Inventory Specialists and work plan communications will also be provided to you so you can forward to your School Personnel. All ACS members are uniformed, fingerprinted and FBI background checked professionals.
5. ACS's Senior Project Manager will lead your onsite fieldwork.
6. We will also provide you with a schedule and other materials that you might need such as Public Address announcements, pictures and credentials.
7. A final list of controlled items and other job specifications will be reviewed and signed off at the kickoff meeting. The kickoff meeting is digitally sound recorded for accuracy.
8. Our team will check in daily and inform you and your staff of our progress and any issues should they arise.
9. Data is uploaded daily for your review and is always redundantly remotely saved for added protection.
10. Our goal is to be as invisible and helpful as possible and exceed your expectations
11. Prior to departure, The ACS team leader will perform an Exit Interview with you or appropriate staff as available.
12. Our service doesn't stop with the Onsite Field Work and <u>On time</u> Delivery of Data. ACS team members are <u>always free</u> and available for you throughout the year.

Service Fee

Our fee for the engagement is **$7,425.00**. It will remain in effect for 1 term. This fee is based on our estimate of professional services to be furnished according to our understanding of your requirements; should the scope of these requirements change, Asset Control Solutions, Inc. and the Village of Johnstown will mutually revise the fee to reflect those changes in service. Our fee is independent of the outcome of our study. Based on our understanding of the project, our fee is based on the following:

> Our services offered as proposed above utilizing Capital Asset and Insurance inventory cutoffs as follows:
>
> **GASB 34** Capitalization threshold of $1,000.00

Terms

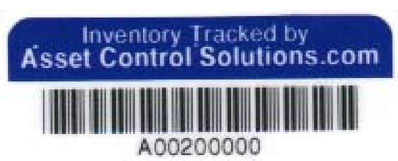
49% of the first-year service fee is payable upon job commencement. Final payment due upon web delivery of Draft Data unless otherwise negotiated to fit budgetary requirements.

For best Internal Controls, ACS onsite physical inspection and inventory service can renew at $5,900.00 **with constructive written** notice by Village of Johnstown.

Inventory is best performed by an independent third party equipped like ACS for the highest level of security and least expensive separation of duties. Ongoing self-maintenance update of Online Fixed Assets by Village of Johnstown is available for **$750.00** ***annually***. *Charges only apply if independent ACS onsite physical inventory service is not renewed annually. This fee does not include cost of tags. For best asset control,* ***self-maintenance*** *is a weak separation of duties that may increase several internal risks.*

Tags

Our own Tamper Evident Tags are to be provided by Asset Control Solutions, Inc. free for as long as you have our new client onsite inventory or existing client reinventory onsite service scheduled in the current year. Besides being free, you will benefit from the added theft deterrent too.



Preexisting client barcode tags will be utilized when most efficient. Tags available will be confirmed for compatibility and security.

Even though most clients tend to like our free tags best, Village of Johnstown may custom order tags in advance from supplier at Village of Johnstown cost. All tags must be pre-approved by Asset Control Solutions, Inc. The customizable vinyl tamper evident tags cost approximately $250.00 for 2,000 tags, and they are available in 3 - 5 business days. Tags are ordered by Village of Johnstown through supplier direct. Please ask for details.

This Agreement is made effective as of October 19, 2021, by and between

Village of Johnstown
Johnstown, OH

and

Asset Control Solutions, Inc.
Schaumburg, IL
United States

In this Agreement, the Village of Johnstown who is contracting to receive services shall be referred to as "VOJOH", and Asset Control Solutions, Inc. who will be providing the services shall be referred to as "ACS".

ACS has a background in technology, accounting and valuation and is willing to provide services to VOJOH based on this background.

VOJOH desires to have services described in the proposal dated October 19, 2021 provided by ACS.

Therefore, the parties agree as follows:

1. DESCRIPTION OF SERVICES. ACS will provide the following services (collectively, the "Services"): Assets with ACS provided or approved VOJOH tag, will be located, inventoried and reported with location and tag identification by thresholds listed below. The associated asset capitalization, depreciation and an opinion of replacement valuation information of Buildings, Movable Equipment, Infrastructure and Site Improvements will be tagged and reported in GASB 34 compliant detail above the Capitalization threshold of $1,000.00.

2. PERFORMANCE OF SERVICES. The manner in which the services are to be performed and the specific hours to be worked by ACS shall be determined by ACS and approved in writing by VOJOH. VOJOH will rely on ACS to work as many hours as may be reasonably necessary to fulfill ACS's obligations under this Agreement.

3. PAYMENT. VOJOH will pay a fee to ACS for the services in the amount of **$7,425.00 Seven Thousand Four Hundred Twenty Five Dollars and 00/100.** This fee shall be payable in a lump sum 49% upon job commencement and balance due upon presentation of draft web data.

4. TERM/TERMINATION. Term is for 1 year. Our service will renew at $5,900.00 Five Thousand Nine Hundred and 00/100 **with constructive written** notice by VOJOH and includes free tags. *Ongoing self-updating by VOJOH also available for $750.00 annually plus $.09 per tag if tags required.*

5. EXPENSE REIMBURSEMENT. ACS shall pay all "out-of-pocket" expenses, and shall not be entitled to reimbursement from VOJOH given no change of schedule initiated by VOJOH following written authorization of travel schedule.

6. SUPPORT SERVICES. VOJOH will not be required to provide support services, including office space and secretarial services, for the benefit of ACS.

7. NEW PROJECT APPROVAL. ACS and VOJOH recognize that ACS's services will include working on various projects for VOJOH. ACS shall obtain the approval of VOJOH prior to the commencement of a new project.

Initial: ________ Date: ________________

8. RELATIONSHIP OF PARTIES. It is understood by the parties that ACS is an independent contractor with respect to VOJOH, and ACS is not an employee nor does ACS have a financial interest in the VOJOH. VOJOH will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of ACS.

9. EMPLOYEES. ACS's employees, if any, who perform services for VOJOH under this Agreement shall also be bound by the provisions of this Agreement. At the request of VOJOH, ACS shall provide adequate evidence that such persons are ACS's employees.

10. INJURIES. ACS acknowledges ACS's obligation to obtain appropriate insurance coverage for the benefit of ACS (and ACS's employees, if any). ACS waives any rights to recovery from VOJOH for any injuries that ACS (and/or ACS's employees) may sustain while performing services under this Agreement and that are a result of the negligence of ACS or ACS's employees.

11. INTELLECTUAL PROPERTY. The following provisions shall apply with respect to copyrightable works, ideas, discoveries, inventions, applications for patents, and patents (collectively, "Intellectual Property"):

a. Consultant's Intellectual Property. ACS personally holds an interest in the Intellectual Property that is described as software and hardware and which is not subject to this Agreement.
b. Development of Intellectual Property. Any improvements to Intellectual property, further inventions, or improvements, and any new items of Intellectual Property discovered or developed by ACS (or ACS's employees, if any) during the term of this Agreement shall be the property of ACS.

12. CONFIDENTIALITY. VOJOH and ACS recognizes that both entities has and will have the following information:

process information

trade secrets

technical information

copyrights

and other proprietary information (collectively, "Information") which are valuable, special and unique assets of VOJOH and ACS and need to be protected from improper disclosure. VOJOH and ACS agree that VOJOH and ACS will not at any time or in any manner, either directly or indirectly, use any Information for VOJOH's or ACS’s own benefit, or divulge, disclose, or communicate in any manner any Information to any third party without the prior written consent of VOJOH and ACS. VOJOH and ACS will protect the Information and treat it as strictly confidential.

13. NOTICES. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered when delivered in person, email receipt returned, or deposited in the United States mail, postage prepaid, addressed as follows:

IF for VOJOH:

Ms. Dana Steffan
Village of Johnstown
Johnstown, OH 43031

IF for ACS:

Sean R. Rager, President
Asset Control Solutions, Inc.
2040 E Algonquin Rd Ste 506
Schaumburg, IL 60173
An Illinois C corporation EIN:74-3163816

Such address may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

14. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.

15. AMENDMENT. This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

16. SEVERABILITY. If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

17. WAIVER OF CONTRACTUAL RIGHT. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

18. APPLICABLE LAW. This Agreement shall be governed by the laws of Village of Johnstown's home state.

Party receiving services:
Village of Johnstown
Johnstown, OH

By: ______________________ Date: ______________
Ms. Dana Steffan
Finance

Party providing services:
Asset Control Solutions, Inc.

By: Sean R. Rager Date: 10/19/2021
Sean R. Rager
President

Village of Johnstown

Main Locations

As Directed by Village of Johnstown

Capital Asset Valuation and Physical Inventory Services

Ms. Dana Steffan, CPA
Finance and Human Resources Director
Village of Johnstown
599 South Main Street
Johnstown, OH 43031
(740) 967-3177 (Office)
DSteffan@johnstownohio.org

Table of Contents:

Dear Ms. Steffan:

HCA Asset Management LLC (hereafter "HCA is pleased to submit the following proposal to the Village of Johnstown, Ohio, (hereafter "Village"), for your consideration. The proposed services will provide a comprehensive Capital Asset Inventory, Financial Reconciliation and Asset Verification study for the capital assets owned and reported by the Village. The results of the engagement will provide reliable, supportable detail and valuation for the Village's assets. Additionally, we have provided an optional Insurance Appraisal Service to provide current replacement cost estimated for all subject / insured assets under the Village's control.

The services offered are designed to provide a fixed asset inventory and data base reconciliation of all capital asset costs accounted for in the Village financial statement reports. In addition, the inventory results will provide a "crosswalk" between current asset numbers found in the field (if any) to the new barcode asset numbers applied & recorded during this inventory and a cost accounting valuation and financial reconciliation for qualifying Village assets. At the conclusion of the physical inventory, and after spending time on site and in Village's environment, HCA will work in conjunction with Village staff/management in the development of fixed asset policy and procedures to ensure proper stewardship of capital assets prospectively. The records and reports will enable The Village to achieve compliance with all their required accountability, accounting, auditing, and oversight bodies.

The inventory of the Village capital asset equipment will support accounting valuation and financial reconciliation for assets supporting Property Control System thresholds and assets meeting Village Capitalization Policies. The purpose of this proposal is to enter a contract to provide a physical inventory of ALL Village capital asset and infrastructure items for current fiscal year. The engagement results are designed to support audit requirements described in GASB Statement 34, OMB A-21 and A-110 F&A Cost Reimbursement Requirements. Our inventory methodology supports GAAP, GAAFR, A-133 and the CASB audit standards - now all under the Uniform Guidance (UG) umbrella. **HCA is prepared to support The Village and the engagement results upon State, independent and Federal audit.**

HCA acknowledges that:

- The proposal has been arrived at independently and is submitted without collusion.
- The contents of our proposal have not been disclosed by HCA nor to the best of our knowledge and belief, by any of our employees or agents, to any person not an employee or agent of HCA.

On behalf of HCA, I will act as the Village engagement contact manager. With over 29 years of experience in providing inventory and valuation services to the State & Local Government, Healthcare, K-12 and Higher Education communities, it will be my pleasure to work with and support the Village in this important initiative. Please do not hesitate to contact me if we can provide further insight regarding the services proposed. My contact information is outlined below.

HCA Asset Management LLC

Gregory P. Sheahan
President
941.752.6330 office 941.544.2369 cell
gsheahan@hcamgt.com

COMPANY DESCRIPTION & HISTORY

Our firm was established in 1985 with a primary focus on indirect cost recovery and building componentization studies. Thirty-five years ago, the concept of documenting a firm's "Core Values" simply did not exist. Yet our company was born operating under a few very basic principles. Three decades later we take great pleasure in summarizing these as follows:

- **Our Clients are our Friends** – HCA employees genuinely care about our clients and the services they receive (just ask them!).
- **Fiercely Protect our Reputation** – each team member will act professionally at all times, deliver value for our clients, and do precisely what we say we will.
- **Obsessed with Outcomes** – we're entirely committed to complete company and client satisfaction.
- **Motivated and Always Learning** – our professionals are independent, requiring little oversight, and we're continually improving ourselves.
- **We are a Team** – we support one another through humility, trust, and collaboration.

In 2004 the firm added its second core business line: performing accurate insurance-related property valuation services. In 2011, our firm underwent an internal corporate "refresh", resulting in our renaming and the birth of **HCA Asset Management, LLC**. As a privately held organization, this restructuring significantly enhanced our position in the property appraisal markets, helping ensure the long-term viability of our company through extensive upgrades in technology and reporting systems. HCA possesses the financial stability and proven track record to assist your program today – and for many years to come. ***With over 36 consecutive years in business, HCA is a viable, ongoing business concern.***

Headquartered in Bradenton, Florida, many of our professional staff are domiciled there. HCA also serves clients from Minneapolis; Indianapolis; Phoenix; Park City, UT; Kansas City; and St. Louis offices. We regularly assist clients nationally, working with Governmental, Educational, Nonprofit and Pooling concerns in all 50 states. We will deploy full-time staff based out of our Florida and other offices for this engagement.

Our experience working with Federal, State and Local Governments for the purpose of supporting Inventory Control, Financial and Federal Fixed Asset reporting requirements is second to none. HCA's professional services include the development and review of fixed asset policies and procedures, inventory and valuation of land, infrastructure, buildings, movable equipment, and the implementation of bar code equipment inventory systems, plus optional future equipment re-verification studies and outsourcing of the property management function. Our engagement results are provided in flexible electronic formats and can be offered in a manner that interfaces with existing client fixed asset systems.

With over 150 years of combined management experience, we have the knowledge and expertise to establish consistent, reliable inventory and valuation conclusions. Our senior staff includes members of the American Society of Appraisers (ASA), with backgrounds in accounting, engineering, construction management and finance/economics. We are affiliated with and support NACUBO, RIMS, NPMA, AGRIP, PRIMA, HFM, NACURA, FRA, NECA, SECA, WECA, AACC and many other regional and local business organizations.

PURPOSE & OBJECTIVE

HCA has engaged in initial discussions with Village staff to assist with conversion from cash basis accounting to GAAP reporting, as part of their conversion from Village to a City. HCA believes that the primary objectives the Village is hoping to accomplish through project are as follows:

1. Audit Compliance – HCA staff will implement schedule, review, consult with Village staff and provide Village management audit confidence and a solid plan for continued stewardship.
2. Accountability and Control – HCA will provide The Village with a complete comprehensive listing and valuation of ALL capital assets and infrastructure currently in their stewardship. Provide financial accounting reports on newly established "baseline" of Village assets. HCA will update custodial information and contacts on all items to improve operational efficiency. We will also assist the Village with implementation of simple and concise procedures and policy best practices to ensure future integrity of the asset records.
3. Capital Expenditure Planning – The resulting records HCA develops can also be used as a tool for forecasting future capital expenditures. While this is not an immediate / primary objective the Village may have in mind now, it should not be overlooked as our project unfolds. By cleaning up information on equipment, infrastructure, buildings and facility renovations a more realistic life analysis can eventually be performed, and this information can be utilized by the Village for long term capital asset improvement and replacement forecasting.
4. Property Insurance Values – Again, this may not be a primary objective of the engagement, but HCA has provided an optional service to develop and prepare Insurance Appraisal reports to assist in this area. We have used your current Statement of Values and/or CAFR as a starting point for this estimate.

Our Project Team personnel have worked on numerous related projects supporting specifications identical to those requested by The Village. This experience, coupled with our consulting expertise, will provide the Village with the professional services needed to achieve a successful seamless conclusion to this project.

PROJECT APPROACH – SAMPLE REPORTS

All onsite fieldwork begins with a comprehensive kick-off meeting with our clients. We believe the most important elements to successfully completing your inventory and appraisal project(s) are adequate communication and proper planning. Once contacts have been established at all locations and adequate notification has been sent regarding the purpose of our project, HCA staff will conduct the physical inventory process. This effort will involve a room-by-room, area-by-area inspection to record all assets subject to this engagement.

HCA will utilize our proprietary software ***HITS*** to record all equipment data elements subject to this engagement. The HITS software allows us the ability to capture missing pertinent data elements while in the field standing in front of the item (i.e. serial #, model, manufacturer, different asset tag on item etc.) and sync "real time" whenever internet access is available. By syncing real time, HITS provide HCA inventory staff the ability to reconcile with departments regarding not located items on the spot – limiting Village staff time and involvement. The inventory data will be uploaded on a continual basis, providing the ability to identify matched assets and to provide the inventory exception reports needed to support the inventory reconciliation requirements.

All assets including infrastructure items will be recorded in general "classes", or categories, and assigned an estimated useful life supporting the Village's asset classifications and useful life guidelines. A table of the coding structure and descriptions will be developed and included with the final report. Fixed asset classes will be recorded, valued, and classified in a reasonable, consistent manner. HCA anticipates utilizing Village Engineering documentation, data, and "tribunal knowledge", to support infrastructure component valuations:

Historical Cost - The actual or normal/estimated cost of property in accordance with market prices as of the date the property was first constructed or originally installed.

HCA staff will establish the Historical Cost by using Direct, Standard or Normal Costing methods, described as follows:

Direct Costing – Under this approach, HCA will directly match an inventoried asset to actual historical cost records, tying back the cost and date of acquisition. This approach is common for the more material and more recently acquired assets.

Standard Costing – This approach can be employed when the actual historical cost for an asset cannot readily be determined (i.e. Direct Cost). A standard cost is an estimated historical cost based on a widely-known average installed cost for a similar asset at the same period of acquisition. The asset's age is estimated based on the observed condition; the manufacturer, model, serial #; and other factors deemed relevant.

Normal Costing – Where the preceding techniques cannot be employed to derive historical cost, we will estimate cost based on a present cost of replacement, indexed by a reciprocal factor of the price increase from the estimated date acquired to the appraisal date. GASB Statement Number 34 (¶158) says "There are a number of price-level indexes that may be used, both private- and public-sector, to remove the effects of price-level changes from current prices." HCA has developed a series of trend factors based on the detailed US Government Producer Price Index, and updates this set of factors annually.

The assigned useful life will be used as a basis for calculating depreciation, and is defined as follows:

Estimated Useful Life – The estimated number of periods (usually years or months) that an asset will be able to be used in the service of its intended purpose. In general, assets should have a useful life of greater than one year if they are to be capitalized.

Note: Where readily available, our staff will utilize existing (direct) cost and date information, obtained from existing Village's fixed asset and cost accounting records. Our team will **include** the following assets in the scope of our work (beginning with client-supplied records): Land; Land Improvements; Buildings / Structures; Machinery and Equipment; Licensed Vehicles; and Infrastructure assets.

Should the Insurance Appraisal Option be selected, our team will appraisal Buildings, Contents (based on a modeling technique) and insurable Property In The Open in a manner consistent with your current Statement of Values. HCA is committed to timely delivery and high-quality services to all our clients. Built-in quality control measures are integral to every project. We focus not only on thoroughness but on accuracy and consistency as well. Some of HCA's quality control processes include the following:

- Our Project Managers verify that every location has been visited by an HCA team member by reviewing maps, building and/or site plans, and monitoring the matched and unmatched asset list from the Village's data base. Additionally, a listing of any locations unable to be accessed is provided to our clients for resolution.

- To ensure that all data collected by HCA staff is included in project deliverables, a daily log is maintained by our Project Manager. This daily log, which includes daily asset counts, is made available to our clients upon request and is compared to the total asset count in the final reports to ensure every inventoried asset is included.

- HCA will supply barcodes, barcode readers and database software to manage the asset inventory and track the inventory results on a continual basis. Inventory data captured will be uploaded throughout the day and reconciled against the entire Village capital asset file. This process allows us to track the progress of the inventory and identify matched assets, matched assets transferred to different locations, assets added to the data base, and assets and locations not yet accounted for.

- Our Project Manager will review all inventory data for accurate and consistent:
  - Descriptions/Nomenclature
  - Numbering/Coding
  - Costs/Values

As our clients will attest to, the challenging portion of this engagement is not necessarily the data collection and fixed asset tagging/inventory itself, but rather the reconciliation of that data to existing records. HCA prides itself in the proven methodology, procedures and the level of detail that is taken by our staff to support an audit trail that will be acceptable to the Village and your state, independent and Federal auditors. It is not uncommon to see firms with less experience to not properly allocate the time (and therefore the costs) associated with this extremely important effort. When you contact references, we recommend that you specifically address the qualifications of all firms in this area.

Completing this effort right the first time can eliminate added cost and time to resolve post engagement issues. We work closely with the Village's departments, management staff and auditors to provide reports and recommendations that guarantee success.

HCA will provide all required report formats for both Accounting and Insurance initiatives. The following are representative samples which can easily be modified in the planning stage of our assignment to meet your specific desires:

Sample Accounting Summary Report

2/18/20XX — HCA ASSET MANAGEMENT — **CITY OF SAMPLE** — ***Account Summary*** — **Fiscal Year Ending: 12/31/20XX** — Page 1

Account Code	Account Description	# of Assets	Original Cost	Accumulated Depreciation	Book Value
10	Land Parcels	52	$545,391.21	$0.00	$545,391.21
20	Outdoor Improvements	12	$203,678.53	$102,627.46	$101,051.06
30	Buildings	46	$3,862,592.49	$1,313,352.17	$2,549,240.31
40	Infrastructure	90	$7,492,506.34	$4,115,393.56	$3,377,112.78
50	Machinery & Equipment	62	$2,791,842.57	$2,095,820.68	$696,021.89
60	Licensed Vehicles	29	$1,130,612.30	$845,235.90	$285,376.40
	REPORT TOTALS:	291	$16,026,623.43	$8,472,429.78	$7,554,193.65

Sample Accounting Detail Report

2/16/20XX — **CITY OF SAMPLE** — ***Accounting Detail Report - Organizational*** — **Fiscal Year Ending: 12/31/20XX** — Page 11 — HCA ASSET MANAGEMENT

ACTIVITY: 01 GOVERNMENTAL
PROGRAM: 874 FIRE DEPARTMENT
DEPARTMENT: 874 FIRE DEPARTMENT

Asset ID	Class	Qty	Description: Manufacturer	Model	S/N	Acq. Date	Life	Original Cost	Accumulated Depreciation	Book Value
ACCOUNT: 30 Buildings										
BA0047	300	1	FIRE STATION			1/1/1976	50	$184,011.67	$96,054.09	$87,957.58
			ACCOUNT TOTALS:			Asset Count: 1		$184,011.67	$96,054.09	$87,957.58
ACCOUNT: 50 Machinery & Equipment										
BA0048	520	1	SET, BULLARD CAMERA HEIMAN			3/24/2004	12	$10,285.00	$714.24	$9,570.76
			ACCOUNT TOTALS:			Asset Count: 1		$10,285.00	$714.24	$9,570.76
ACCOUNT: 60 Licensed Vehicles										
BA0049	600	1	VAN FORD	ECONOLINE	2158	1/1/1987	8	$21,426.25	$21,426.25	$0.00
BA0050	602	1	FIRE TRUCK CHEVROLET	FIRE	TBD	1/1/1932	10	$10,083.41	$10,083.41	$0.00
BA0051	602	1	FIRE TRUCK CHEVROLET	1 TON, 300 GALLO	1841	1/1/1988	10	$44,645.49	$44,645.49	$0.00
BA0052	602	1	FIRE TRUCK GMC	FIRE TRUCK	2124	1/1/1991	10	$102,363.37	$102,363.37	$0.00
BA0053	602	1	FIRE TRUCK INTERNATIONAL	TANKER	5660	1/1/1976	10	$22,623.41	$22,623.41	$0.00
BA0054	602	1	FIRE TRUCK IHC	4400	9313	1/1/2002	10	$176,000.00	$52,800.00	$123,200.00
			ACCOUNT TOTALS:			Asset Count: 6		$377,141.94	$253,941.94	$123,200.00
			DEPARTMENT TOTALS:			Asset Count: 8		$571,438.62	$350,710.27	$220,728.34
			PROGRAM TOTALS:			Asset Count: 8		$571,438.62	$350,710.27	$220,728.34

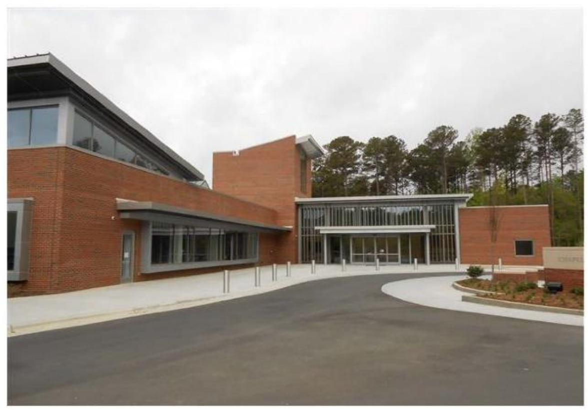
Sample Insurance Detail Report

HCA Asset Management, LLC
Sample Anywhere
Insurance Detail Report

As of date: 5/1/20XX

ENTITY:	IRF03	Magnificent Municipality
SITE:	15	Memorial Library
BUILDING:	275	MAIN LIBRARY
ADDRESS:		555 MEMORIAL PARKWAY COLLEGE TOWN, SC 29201
OCCUPANCY:		LIBRARY
FIRE PROTECTION AND SAFETY:		AUTO FIRE PROTECTION/ALARM SYS. EMERGENCY BACK-UP GENERATOR EMERGENCY LIGHTING EXIT LIGHTING INTRUSION SYSTEM MANUAL FIRE ALARM PULL STATIONS SECURITY CAMERAS SPRINKLER SYSTEM
SPRINKLERED (YES-% OR NO):		100%
FOUNDATION:		CONCRETE FOOTING CONCRETE SLAB CONCRETE WALLS
EXTERIOR WALLS:		BRICK ON MASONRY BRICK ON STUD CONCRETE BLOCK - DECORATIVE GLASS CURTAIN
ROOFING:		METAL - STANDING SEAM SINGLE PLY - FULLY ADHERED
PARTITION WALLS:		CONCRETE BLOCK CONCRETE-REINFORCED DRYWALL ON STUD
CEILING:		ACOUSTICAL TILE DRYWALL WOOD
BUILDING SERVICES:		AIRCONDITIONING-CENTRAL ELECTRIC HEATING - CENTRAL HOT WATER HVAC - ROOFTOP PACKAGE UNITS PLUMBING
FLOORING:		CARPETING CERAMIC TILE STONE
BUILDING FEATURES:		AUTOMATIC DOOR OPENERS BUILT-IN CABINETS & SHELVING ELEVATOR-PASSENGER UNIQUE - SEE NARRATIVE BELOW SOLAR PANELS

ISO CONSTRUCTION CLASS:	MASONRY NONCOMBUST.
FRAMING:	STEEL
DATE OF CONSTRUCTION:	1994
ADDITIONS (YES-YR. OR NO):	2013
RENOVATIONS (YES-YR OR NO):	2013
NUMBER OF STORIES:	2
GROSS/BASEMENT SF:	63,305 / NO
ELEVATION (FT):	300
DIST TO COAST (Mi):	110
FLOOD ZONE:	X
LATITUDE/LONGITUDE:	34.003952°N 81.037621°W



Main Entrance - North Exposure

BUILDING:

REPLACEMENT COST NEW (RC):	$19,148,200
EXCLUSION AMOUNT:	$315,200
RC MINUS EXCLUSIONS:	**$18,833,000**
PROPERTY IN THE OPEN:	$0

PERSONAL PROPERTY:

CONTENT VALUE:	$6,232,500
EDP:	$130,000
PERSONAL PROPERTY TOTAL:	$6,362,500

BUILDING NOTES:

BUILDING COMPLETELY RENOVATED WITH SIGNIFICANT ADDITIONS ON BOTH THE NORTH AND SOUTH ENDS - WORK COMPLETE 2013. FEATURES INCLUDE NATURAL GAS, CUMMINS BACKUP GEN SET; SLATE STAIRS AND LOBBY; MANY "GREEN" / ENERGY EFFICIENT FEATURES; PV AND SOLAR THERMAL PANELS ON ROOFTOP; ADULT READING ROOM WITH 30' WALL HEIGHT; SUN SHADING ON PERIMETER ON SOUTH ADDITION; AND (2) PASSENGER ELEVATORS. CONTENTS INCLUDE HIGH QUALITY FF&E; IT SERVERS AND TERMINAL STATIONS; COLLECTION OF 197,290 ITEMS. LEED "SILVER" CERT.

HCA...
We Value What's
Important to YOU!

Page 1 of 2

MANAGEMENT PLAN AND TIMETABLE

HCA is prepared to consult with Village management and staff on an acceptable timeframe for this valuation, inventory, and reconciliation project. The anticipated timeframe for completion of the capital asset review, inventory, reconciliation, valuation and delivery of the final reports and electronic media is estimated to be 75 ***calendar*** days from receipt of the Village's executed contract and commencement of the on-site field work.

HCA shall perform onsite work during normal Village business hours Monday through Friday, 8:00 am through 5:00 pm, but is also prepared to inventory 24-hour facilities, such as Police stations and facilities after hours as stipulated by the Village. HCA has a proven record on engagements of this size and scope. Managing the onsite inventory of Village's assets in conjunction with the inspection and valuation of The Village's capital equipment, buildings and infrastructure is not without its challenges; however, HCA is up to each one of them.

PROJECT EXPERIENCE

HCA prides itself on having attracted and retained some of the most skilled and experienced staff in the public-sector inventory, valuation & appraisal industry. We tackle assignments with a "one client at a time" approach, unique in a field where many firms focus on top-line (revenue) targets, and short-term growth. Our team has taken the opposite approach, focusing on delivering a quality report, on time and for a fair fee – one commensurate with our skill sets. Our staff has many years working with HCA and fully trained for this type of work, you will never find personnel who are *un*qualified on ***any*** of our engagements.

Our proposed team is well-qualified and extremely experienced on projects with similar scope and size. HCA is a unique firm offering clients a national presence and capabilities, without losing that "small company" feel so often associated with the highest level of customer satisfaction. Although there are larger consulting practices, we feel we are appropriately sized to satisfy our clients. With the HCA focused approach, every client is important, regardless of project size or fee.

REFERENCES

City of Oxnard, California – Government

Baseline inventory, cost valuation and financial accounting reporting. 2017 – assisted the City with removal of modified audit opinion, initial baseline valuation, accounting allocation including buildings, equipment, vehicles, infrastructure, land, land improvements etc.
Contact: Ms. Deanna Purcell – Assistant CFO 805-200-5400 deanne.purcell@oxnard.org
Successfully audited by: Eadie and Payne Certified Public Accountants CA. Contact: Ms. Eden Casareno CPA, Partner in-Charge of Attest Services 951.241-7805 ecasareno@eadiepaynellp.com
The infrastructure component of this engagement was a large reason that we were selected to assist on this engagement.

City of St. Clairsville, Ohio – Government

Baseline inventory, cost valuation and financial accounting reporting. 2013 – present ongoing annual updates after initial baseline accounting allocation including buildings, equipment, vehicles, infrastructure, land improvements etc.
Contact: Ms. Annette Williams – Finance Director 740-695-0880 awilliams@stclairsville.com
Successfully audited by: State of Ohio Auditors Office Contact: Ms. Denise Wiethe, Auditor of State Dave Yost's Office, Assistant Chief Project Manager – Special Projects drwiethe@ohioauditor.gov

Dekalb County, Georgia – Government
Baseline inventory, cost valuation and financial accounting and Insurable value reporting. 2019 - present ongoing annual updates after initial baseline accounting allocation including buildings, equipment, vehicles, infrastructure, land, land improvements etc.
Contact: Ms. Lisa Williams MBA – Controller 404-371-2238 lisawilliams@dekalbcountyga.gov

Monroe County, Ohio – Government
Baseline inventory, cost valuation and financial accounting reporting. 2017 – present ongoing annual updates after initial baseline accounting allocation including buildings, equipment, vehicles, infrastructure, land improvements etc. Contact: Ms. Sheila Turner – Finance Director 740-472-1341 sheilaturner@monroecountyohio.com

City of Opa-Locka, Florida – Government
Baseline inventory, cost valuation and financial accounting and Insurable value reporting including buildings, equipment, vehicles, infrastructure, land, land improvements etc. Performed in accordance with and compliance of **Chapter 274, Florida Statutes,** which establishes provisions regarding the control, supervision, and disposal of tangible personal property owned by local governments**.** Contact: Mr. Robert Anathan – Budget Administration 305-953-2868 x1204 ranathan@opalockafl.gov

Broward County Fire and Rescue, Florida – Government
Capital asset inventory, cost valuation and financial accounting reporting. 2019 provided annual capital fixed equipment inventory, audit, reconciliation services for compliance with **Chapter 274, Florida Statutes,** which establishes provisions regarding the control, supervision, and disposal of tangible personal property owned by local governments**.** Broward Sheriff Fire & Emergency "The largest dual accredited public safety agency in America". Contact: Deputy Chief Greg Holness BA, 954-321-4592 gregory_holness@sheriff.org

Clark County Water Reclamation District – Las Vegas, NV
2006 to present. Ongoing appraisal and capital asset inventory, valuation and updating. HCA annually assists the District with both Financial Capital Asset and Insurable reporting needs, performing onsite reviews of all completed projects.
Contact: Ms. Maggie Chan, CPA – Accounting Manager; 702-668-8107 mchan@cleanwaterteam.com

Metropolitan Council Environmental Services – St. Paul, Minnesota
2011 – present ongoing appraisal and capital asset inventory comprehensive 2017. State of Minnesota's largest wastewater collection and treatment authority.
Contact: Ms. Marie Henderson, Controller, 90 North Robert Street, St. Paul, MN, 55101, 651-602-1387 Marie.Henderson@metc.state.mn.us

HCA INVENTORY/AUDIT/VALUATION CLIENTS (Partial Listing)

City of Oxnard California
Hamilton County, Ohio
Sarasota County Florida
City of Flagstaff Arizona
City of St Clairsville Ohio
Monroe County, Ohio
City of Palmetto Florida
Hillsborough County FL

City of Alamogordo New Mexico
City of Brian Texas
Weill Cornell Medical College
Loudoun County Public Schools VA
California Institute of Technology
University of Michigan
Dekalb County Georgia
University of Virginia
City of Downey California
Maryland Transit Authority
University of Wisconsin
Pennsylvania State University
Manassas Park City Schools
Loudoun County Govt. VA
Boston University
University of Arizona
Broward County Florida
City of Niles Ohio
City of Lake Forest California
Milwaukee Transit Authority

VILLAGE STAFF COMMITMENT

The successful execution of any fixed asset valuation, inventory& reconciliation requires a cooperative and coordinated relationship between the consultant and client. Our anticipated role as the selected vendor will be to perform the majority of all tasks associated with the execution of the engagement. However, The Village's involvement will be critical in the following areas to ensure our overall success.

Based on our vast project experience, the most critical step will be the assignment of a Village employee as coordinator for the engagement. Having your coordinator involved in the assignment from start to finish is essential and helps ensure total project continuity and stewardship once our staff has completed our work and the data resides in The Village's property system. The Village's coordinator should have a basic understanding of fixed asset cost accounting and full knowledge of your internal fixed asset accounting requirements. The coordinator should be available to:

A. Coordinate appraisal staff requirements concerning:
   a. Access to sites, buildings and space
   b. Security clearances
   c. Requests for the System fixed asset database, reports, and work space.

B. Arrange introductions of HCA staff to appropriate Village personnel (i.e. specific project contacts, Village Engineers, Accounting Staff, MIS, Building Security, etc.).

C. Notify appropriate Village personnel concerning the nature of the project (i.e. Project Announcement Memo/Correspondence).

D. Obtain workspace for the inventory meetings, preferably near Project Management or Accounting Departments.

E. Provide HCA with all current and up-to-date asset listings immediately upon award (or as soon thereafter as possible).

Procedures will be developed to account for capital assets that are received by The Village during the inventory process. The HCA working file will be frozen as of a specific date, allowing us and The Village to properly account for new assets.

PRICE QUOTE

Thank you for this opportunity to submit our proposal to provide professional capital asset inventory, valuation and financial reconciliation services. To indicate acceptance of the service option described, please place your initials in the space provided, execute the signature line, and return to the undersigned. Based on our understanding of the Village of Johnstown requirements and the level of professional skills necessary to complete the engagement to support the specifications described in our proposal response, HCA is pleased to submit the following professional fees and expenses supporting the proposed services. Out-of-at pocket administrative, travel and living expenses are included in our fixed cost fees.

To the extent that information regarding the properties and/or assets to be inventoried and appraised exists currently, access to all such information should be made available to HCA staff. This information includes current fixed asset listings, Insurance Statement of Value (SOV), financial statements containing current capital asset totals, auditor comments/findings/concerns related to capital asset reporting, and any other relevant information that will help in the execution of our project. Based on our understanding of the Village of Johnstown, Ohio requirements and the level of professional skills necessary to complete the engagement to support the specifications described in our proposal response, HCA is pleased to submit the following professional fees and expenses supporting the proposed services:

ACCEPTED

- Perform physical inventory, tagging, valuation and financial reconciliation of ALL Village capital assets:

Baseline Fixed Asset Inventory/Reconciliation (Individual item threshold $1,000 or greater)
Includes 1,000 barcode asset tags reading Property of Village of Johnstown

$28,500 ______

Option 1: Insurance Appraisal (buildings/structures) **$6,500** ______

Option 2: Policy and Procedure (development assistance) **$2,500** ______

Exclusions include staff personal property, historical collections, antiques, works of art, etc.

PAYMENT SCHEDULE

HCA will invoice the Village of Johnstown for services rendered throughout the progress of our work. The Village will be billed twenty percent of the total contract fees upon contract authorization and a minimum of one week of field work has been completed by HCA staff. Thereafter the Village will be billed on a monthly progressive basis for professional fees and expenses incurred up to ninety percent of the total contract amount. An invoice for the remaining professional fees will be submitted with the delivery of the final reports and electronic media. Invoices shall be payable upon receipt. HCA reserves the right to charge interest calculated on the basis of one and one-half percent per month if payment is not received within 40 days of receipt of our invoice.

With my signature below and designation of the desired options with my initials on the following page, I hereby signify The Village of Johnstown, Ohio acceptance of the services and professional fees proposed.

ACCEPTED BY: Village of Johnstown, Ohio

Signature ______________________ Date _________

Name, Title (printed) __________________________ Tele ________________

Email _____________________

OFFERED BY: HCA ASSET MANAGEMENT

Date 10/15/2021

Gregory P. Sheahan, President Office 941.752.6330 Direct 941.544.2369

Email gsheahan@hcamgt.com

CONCLUSION

On behalf of HCA Asset Management, LLC we thank you for allowing us the opportunity to bid on this important initiative. This is to acknowledge our understanding of capital asset accounting requirements supporting GASB Statement 34, 42 & 51, OMB A-21 F&A Cost Recovery, Generally Accepted Accounting Principles (GAAP), and Government Accounting Auditing and Financial Reporting (GAAFR) now all under Uniform Guidance (UG) umbrella and our ability and experience to provide the required services. Please do not hesitate to contact me if I can answer any questions regarding the proposed services.

VILLAGE OF JOHNSTOWN

Johnstown, Illinois

APPRAISAL AGREEMENT

Revised
October 28, 2021

Industrial Appraisal Company

Two Gateway Center
603 Stanwix Street, Suite 1450
Pittsburgh, Pennsylvania 15222
800-245-2718 / 412-471-1758 FAX
www.indappr.com

Jim Karagianis, Regional Sales Manager
Midwest Regional Office
2210 Midwest Road, Suite 214 – Oak Brook, Illinois 60523
Phone 630-575-0280, Fax 630-575-0290, Email jkaragianis@indappr.com

TWO GATEWAY CENTER, 603 Stanwix St., Suite 1450, Pittsburgh, Pennsylvania 15222
Phone 800-245-2718 Fax 412-471-1758 www.indappr.com

October 28, 2021

Email to: dsteffan@johnstownohio.org

Ms. Dana Steffan, CPA
Finance and Human Resources Director
Village of Johnstown
599 South Main Street
Johnstown, Ohio 43031

Dear Ms. Steffan,

We welcome the opportunity to resubmit our proposal to provide an appraisal for the Village of Johnstown for fixed asset accounting control and insurance valuation purposes.

Under the terms of our agreement, we will conduct an on-site inspection and appraisal of the ***buildings/structures, site improvements (insurable and uninsurable), fixed equipment and movable equipment, as well as infrastructure assets*** associated with the property locations listed in Addendum No. 1 of the agreement.

The report will be presented in our Property Inventory and Accounting Cost Record format which will provide a record of assets in computerized form. This presentation is designed for the continued maintenance of effective property control as well as providing a depreciation study for all fixed assets in compliance with GASB 34 requirements. The depreciation study is based upon actual or estimated acquisition cost and year acquired.

Applicable to insurance values, our certified report will establish the current cost of reproduction new and sound insurable value of the properties appraised.

When our proposal is accepted, please sign and date the Acceptance Page (Page 5 of the Agreement), Initial the Verification of Property Listing as shown in Addendum No. 1 (Page 9 of the Agreement) and return the signed, dated and initialed Agreement to me. Upon receipt, we will proceed promptly in making arrangements to schedule the on-site inspection.

If you wish to have us furnish your insurance agent or broker with a copy of the appraisal summary, please complete and return the attached Form 311, agent authorization (Page 13). Due to the confidential nature of these figures, they will be released only with your written consent.

Should you have any questions, do not hesitate to contact me at 630-575-0280, Fax 630-575-0290 or Email *jkaragianis@indappr.com*.

Thank you for considering the professional appraisal services of Industrial Appraisal Company. We look forward to be of service to you in your valuation requirements.

Very truly yours,

INDUSTRIAL APPRAISAL COMPANY

Jim Karagianis

Jim Karagianis
Regional Sales Manager

JK/mg

TWO GATEWAY CENTER, 603 Stanwix St., Suite 1450, Pittsburgh, Pennsylvania 15222
Phone 800-245-2718 Fax 412-471-1758 www.indappr.com

APPRAISAL AGREEMENT

The Industrial Appraisal Company hereby proposes to provide inventory and valuation services for:

Village of Johnstown
599 South Main Street
Johnstown, Ohio 43031

I. PROVISIONS AND SCOPE OF APPRAISAL

The appraisal services and reports are to consist of on-site consultation, data collection, inventory, valuation, and cost analysis of the fixed assets of **Village of Johnstown** for the purpose of preparing a tabulated schedule of fixed assets including a depreciation study related to actual or estimated year of acquisition and acquisition cost. This schedule is designed to conform to the requirements of **GASB 34** as it pertains to depreciation. Supplementally, an opinion of the current insurance values of the buildings and equipment will be provided.

The fixed assets to be identified and recorded will include buildings/structures, fixed and movable equipment. The applicable property locations to be considered for appraisal are listed in **Addendum No. 1** to this agreement.

II. INVENTORY AND APPRAISAL PROVISIONS

The data for the proposed asset management system and the insurance valuation report will be developed by physical inspection, inventory and cost analysis of all applicable assets.

A. Buildings/Structures

The buildings will be valued as a unit-in-place for cost accounting and insurance valuation purposes reflecting specific data elements relating to dates of construction or acquisition, original cost allocation, square footage, useful life, and reproduction cost new. Building component classifications will be comprised of General Construction, Plumbing, Heating/Air Conditioning/Ventilating, Electrical, Sprinkler System, Roofing and Fixed Equipment allocations.

B. Site Improvements – (Insurable and Uninsurable)

The site improvements will consist of: Lighting, Fencing, Signs, Flagpoles, Parking Lots, Sidewalks, Curbs, Retaining Walls, Property in the Open, Etc.

C. Movable Equipment

Movable equipment will be inventoried on a building, floor, departmental and room-by-room basis and will be segregated by asset class and between **major** movable equipment and **other** movable equipment.

1. **Major** movable equipment will generally include individual items with a **replacement cost exceeding $1,000.00 applicable to insurance** and **$5,000.00 capitalization thresholds** with a useful life of one year or more. Certain items/systems below the unit cost standard that may warrant special property and cost control will be considered Critical Control Assets. Such items (CPU's, Printers, Monitors) may be designated "Critical Control Assets" in advance of commencement of the inventory.

2. The remaining movable equipment, designated as **other** movable equipment, will be inventoried on a room-by-room or by building basis, grouped and valued by asset class. Data elements relating to dates of acquisition, acquisition cost, useful life, and replacement cost will be developed "at average" by asset type for each location segregation.

Licensed Vehicles:
Licensed Vehicles may be included in the fixed asset record based on information to be supplied by Village of Johnstown. Vehicles should be reported with *Vehicle Description, Manufacturer, Model, Vehicle Identification Number (VIN), Cost and Year Acquired*.

Recording and Valuation of Infrastructure Assets:
It is agreed and understood the Industrial Appraisal Company will provide consultation for the recording and valuation of all infrastructure assets owned by the Village of Johnstown in compliance with GASB 34 Reporting and Audit Requirements.

It is understood the Village of Johnstown is to provide infrastructure information to Industrial Appraisal Company so that we can properly complete this assignment. These include: streets, storm sewer, sidewalks, water distribution system, street lighting, etc. It is further understood that the Village of Johnstown will provide staff support to assist in transferring data files from the related departments including maps, drawings, roadway mileage and linear footage, diameter of pipe and age of underground systems, if available.

III. REPORT PRESENTATION

The capital asset report presentation will include all fixed asset classifications currently scheduled or pre-designated by **Village of Johnstown** and will essentially be prepared in conformance with Industrial Appraisal's Property Inventory and Accounting Cost Record form.

A. The report(s) to be provided will include:
- Letter of Transmittal
- Building Schedule Index
- Departmental Schedule Index
- Insurance Valuation Summary
- Recapitulation Summary by Asset Code
- Master Detailed Report

B. The Master Detailed Report will include the following data:
Building Identification - Floor/Room/Area Code - Asset Class Code - Quantity - Description - Date Acquired - Life - Reproduction Cost New - Acquisition Cost - Accumulated Depreciation - Annual Depreciation - Salvage Value

1. Acquisition Date and Cost (Buildings/Structures):
The dates of acquisition and acquisition costs of the Buildings/Structures will be developed by the appraisal staff through use of data to be supplied by Village of Johnstown and should include architectural cost breakdowns, renovation projects and any records of site purchases. In the absence of actual costs, Industrial Appraisal Company will utilize reverse trending indices applied against current replacement cost calculations.

2. Life:
The life schedule for fixed assets conforms to recommendations by GASB Statement 34 implementation as indicated in **Addendum No. 2**. Any exceptions required by Village of Johnstown must be made prior to commencement of the work.

3. Depreciation:
All **major** fixed asset items recorded will be capitalized and depreciated on a straight-line basis utilizing the half-year convention computed as of a **December 31 fiscal cutoff** or as otherwise specified.

4. Salvage Value:
The estimated amount, expressed in terms of money that may be expected for the whole property or a component of the whole property that is retired from service for possible use elsewhere, as of a specific date. Salvage value will be computed by classification and calculated using the schedule indicated in **Addendum No. 2**.

We care about the environment. All Industrial Appraisal Company reports are provided in electronic format. An additional charge will apply for hard copy reports. Please contact Industrial Appraisal Company if a hard copy is required.

IV. PROFESSIONAL FEE

The total fee for the proposed inventory and appraisal services is:

TWELVE THOUSAND SEVEN HUNDRED DOLLARS

$12,700.00

FEE IS INCLUSIVE OF ALL EXPENSES

This fee covers work under this contract only, and such items as legal conferences, depositions, court testimony or expansion of the appraisal for purposes not specified in this agreement will be billed at a per diem rate to be determined.

V. BILLING PROCEDURE

The fee quoted for services to be provided currently will be progressively billed as follows:

- 60% of Appraisal Service Fee due upon completion of the on-site fieldwork
- Balance due upon delivery of the completed appraisal report

Unless special arrangements have been made all progressive payments must be in hand before the appraisal results are released for delivery.

This agreement may be terminated by either party at any time given 10 days written notice, however, accumulated fees and costs incurred to the point of termination will be billed through the active period.

VI. ANNUAL SERVICES

The Industrial Appraisal Company will provide annual maintenance service for both the updating of the Property Inventory and Accounting Cost Record and the Report of Insurable Values.

A. Property Inventory and Accounting Cost Record Updating
Industrial Appraisal Company offers to furnish annually a new fixed asset schedule that will reflect the additions, deletions and transfers that have been reported to Industrial Appraisal Company for the previous year. New depreciation data will be calculated. In addition to the revised master report the following supplemental reports will be prepared.

- Current Year Capital Additions by Building
- Current Year Deletions by Building

B. Insurable Values Updating
A report of updated insurable values will include a new appraisal summary reflecting the current Reproduction Cost New and Sound Insurable Value of the buildings and equipment.

ANNUAL SERVICES FEES

Annual Updating of Property Inventory and Accounting Cost Record………………………………………….**$300.00**
(Due First Anniversary)

Annual Updating of Insurable Values……………………..……………….……………………...…....….........**$920.00**
(Due First Anniversary)

VII. PROOF OF LOSS SERVICE

In the event of a loss covered by insurance, provided immediate written notice is given to our Corporate Office, and our Annual Revaluation Service is in effect, the Industrial Appraisal Company will provide updated values, for preparation of proof of loss, of the appraised property as of the date of the loss.

TERMS AND CONDITIONS

General
In the event Industrial Appraisal Company's services are requested to include items not covered by this agreement, these services shall be negotiated between Village of Johnstown and Industrial Appraisal Company.

Fees stated in this proposal are predicated on properties as indicated to us without benefit of independent verification. Should the results of our investigation indicate that the scope of the project or total number of structures to be appraised is greater than indicated, we reserve the right to adjust our fee based on the additional work effort. Correspondingly, if we are requested to include other properties not listed in the information provided, we will identify the cost to provide those additional services on a separate invoice.

Performance of this contract and fees developed hereunder are predicated upon authorized access to the property and required information and available data to be provided promptly as requested. When formulating our conclusions, we may rely on information provided by the Village of Johnstown or others. Should new information become available after a draft or final report has been submitted, we reserve the right to amend or modify our report and the conclusions therein. The fee quoted is contingent upon the on-site inspection being conducted during normal business hours, Monday through Friday. Should it be necessary to conduct the on-site inspection other than during normal business hours, an additional fee may apply.

Any exceptions to our standard life schedules, codes, salvage values, etc. will result in additional charges.

Terms and conditions on purchase orders issued to Industrial Appraisal Company for authorization are for Village of Johnstown internal use only and shall not modify the terms and conditions of this agreement, addenda, or related documents.

The Industrial Appraisal Company is not an accounting firm and we rely upon mutual cooperation with Village of Johnstown in developing an accurate accounting database that will meet GASB 34 requirements for compliance.

Limitation on Damages
Village of Johnstown agrees that the Industrial Appraisal Company officers, directors, employees, shareholders, agents and subsidiary or related entities shall not be liable to Village of Johnstown for any claims, liabilities, causes of action, losses, damages (whether compensatory, consequential, special, direct, indirect, incidental, punitive, exemplary, or of any other type), costs and expenses (including, but not limited to reasonable attorneys' fees and expert witness fees and the reasonable time and expenses of Industrial Appraisal Company's personnel involved) in any way arising out of this engagement in any amount greater than the total amount of fees paid by Village of Johnstown to the Industrial Appraisal Company, except to the extent finally and judicially determined to have been the result of bad faith, gross negligence, or intentional or willful misconduct of the Industrial Appraisal Company. This provision shall survive the termination of this agreement for any reason, and shall apply to the fullest extent of the law, whether in contract, statute, tort, strict liability or otherwise.

Force Majeure
Neither Party shall be liable for or deemed to be in default for any delay or failure to perform any act under this Agreement (other than the payment of money) resulting, directly or indirectly, from Acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquake, flood, failure of transportation, strikes or other work stoppages by either Party's employees, or any other cause beyond the reasonable control of such Party.

Confidentiality
To the extent Industrial Appraisal Company, its employees or agents is provided, has access to or comes into possession of, any protected proprietary and/or confidential information of Village of Johnstown (collectively, "Confidential Information"), the Industrial Appraisal Company, its employees and agents shall not, directly or indirectly, acting alone, or with others: (i) disclose to any other person or entity any Confidential Information (unless required by law); or (ii) use any Confidential Information other than for performance of this contract.

Industrial Appraisal Company agrees that upon completion and delivery of the appraisal reports, whether physically or electronically, the appraisals shall be the property of Village of Johnstown. Industrial Appraisal Company agrees to maintain the confidentiality of this proposal and the information contained in the appraisals unless compelled to disclose such information by judicial process from a court of competent jurisdiction. Industrial Appraisal Company agrees that prior to any disclosure pursuant to judicial process, Industrial Appraisal Company shall notify, and provide a copy of such process to, Village of Johnstown.

Property Exclusions
The appraisal will not include landscaping, licensed vehicles, musical instruments, uniforms, fine arts, antiques, consumable supplies, valuable papers, intangible assets, property of third parties, or properties other than those indicated in this agreement.

ACCEPTANCE AND AUTHORIZATION TO PROCEED

Neither party to this contract is bound by any promise, term nor condition, either oral or written, not incorporated in this instrument. Acceptance of this Appraisal Agreement also indicates acceptance of the Addenda. This offer for appraisal services **expires after ninety (90) days** at which time it may be renegotiated.

REVISED AND RESUBMITTED this **28th** day of **October 2021**

INDUSTRIAL APPRAISAL COMPANY
TWO GATEWAY CENTER
603 STANWIX STREET, SUITE 1450
PITTSBURGH, PENNSYLVANIA 15222

Jim Karagianis
____

Jim Karagianis
Regional Sales Manager

ACCEPTED:

VILLAGE OF JOHNSTOWN
599 SOUTH MAIN STREET
JOHNSTOWN, OHIO 43031

____
Signature

____
Date

____
Print Name

ADDENDUM NO. 1

Properties to be Appraised

ADDENDUM NO. 1

Properties to be Appraised

APPRAISAL AGREEMENT

Village of Johnstown
599 South Main Street
Johnstown, Ohio 43031

PROPERTY LOCATION	APPROXIMATE SQUARE FOOTAGE	APPRAISAL NOTES:
Recreation Center 150 West Maple	4,000	
Park Sign	N/A	
Shelter House	N/A	
Water Plant 395 West Jersey Street		1 MGD Maximum Design Flow
Backwash Recycle Tank	N/A	
Diesel Generator	N/A	
Lime Feed System	N/A	
Lime Sludge Tank	N/A	
Recycle Pumps	N/A	
Sludge Pumps	N/A	
Water Treatment System	N/A	4.8 Million Value
Storage Barn	2,880	
Waste Water Sewer Plant 470 West Jersey Street	3,600	1.2 MGD Maximum Design Flow
Sludge Filters 1 & 2	N/A	
Aerobics Digester	N/A	
SBR Tank	N/A	
Sewer Plant	N/A	
Sludge Storage #2	N/A	
Sludge Rec & Lift	N/A	
Headworks	800	
Raw Water Lift	N/A	
Sludge Cake Storage	N/A	
Post Aeration Basin	N/A	
UV Disinfection	N/A	
Blower Building	1,200	
Administration Building	1,000	
Control Chamber	N/A	
Office 599 South Main Street	16,880	
Salt Temple	1,500	

ADDENDUM NO. 1
PROPERTIES TO BE APPRAISED CONTINUED…

PROPERTY LOCATION	APPROXIMATE SQUARE FOOTAGE	APPRAISAL NOTES:
Sewage Lift Station	N/A	
State Route 62 at Raccoon Creek		
Sewage Lift Station	N/A	
2R 113 Westview Drive		
Sewage Lift Station	N/A	
539 East Coshocton Drive		
Sewage Lift Station	N/A	
19 Croton Road		
Sewage Lift Station	N/A	
1 Leafy Dale		
Sewage Lift Station	N/A	
1 Clark Drive		
Sewage Lift Station	N/A	
1 Kyber Run		
Water Tower	N/A	
1 John Street		
Shelter House	400	Plus Playground Equipment
1 Rolling Meadows Park		
Storage Building	3,600	
94 East College Street		
Salt Temple	2,800	
Electronic Sign encased in brick	N/A	
1 West Coshocton Street-Bigelow Park		
Trailhead Shelter House	600	
187 East Jersey Street		

ADDENDUM NO. 1
PROPERTIES TO BE APPRAISED CONTINUED…

PROPERTY LOCATION	APPROXIMATE SQUARE FOOTAGE	APPRAISAL NOTES:
INFRASTRUCTURE		
29 Miles of Road		
36 Miles of Sidewalk		
38 Traffic Lights		
17 Crosswalks/Signals		
3 Traffic Bridges		
2 Pedestrian Bridges		
395 Fire Hydrants		
31 Miles of Water Line--24 Miles of Gravity Sewer		
and Force Mains--24 Mikes of Storm Lines		
APPROXIMATE TOTAL SQUARE FOOTAGE:	**39,260**	
Site Improvements (Insurable and Uninsurable)		Lighting, Fencing, Signs, Flagpoles,
Property Locations Listed on this Addendum		Parking Lots, Sidewalks, Curbs,
		Retaining Walls, Property in the Open, Etc.

THE FEE QUOTED IN THIS AGREEMENT IS FOR THE APPRAISAL OF THE LOCATIONS AS INDICATED ON THIS ADDENDUM ONLY. THE APPRAISAL OF LOCATIONS NOT LISTED ON THIS ADDENDUM OR SIGNIFICANT INCREASE IN SQUARE FOOTAGE WILL RESULT IN ADDITIONAL CHARGES.

Please Initial Verification of Property Listing ____________

ADDENDUM NO. 2

Universal Coding
(GASB 34 Compliant)

Information Technology
Two Gateway Center
603 Stanwix Street, Suite 1450
Pittsburgh, PA 15222
412-471-2566/800-245-2718
www.indappr.com

UNIVERSAL CODING for Property Record, Fixed Asset Appraisals

DESCRIPTION	ASSET/ PROPERTY CLASS	LIFE	SALVAGE VALUE %
LAND, IMPROVEMENTS, BUILDINGS/STRUCTURES, INFRASTRUCTURE			
Land	01	N/A	N/A
Site Improvements	02	20+/-	00
Buildings	03	40+/-	00
Leasehold Improvements	04	20	00
Infrastructure	05	50+/-	00
BUILDING ITEMS/PERMANENT FIXTURES			
Stained Glass	06	--	--
Stained Glass - Fine Arts	07	--	--
Chandeliers/Sconces	08	--	10
Pipe Organs	09	--	10
Statues	10	--	--
Bells/Bell Carillons (Bldg.)	11	--	--
Murals/Icons	12	--	--
Architectural Fine Arts	14	--	--
Permanent Fixtures	21	20	00
Bowling Alley/Pinsetters	22	20	10
Carillon (PF)	23	20	10
Permanent Fixtures -- SV	25	N/A	N/A
EQUIPMENT			
Machinery/Shop Equip.	30	15	10
Construction Equipment	32	15	10

DESCRIPTION	ASSET/ PROPERTY CLASS	LIFE	SALVAGE VALUE %
Refrigeration Equip (Ice Rink, etc.)	34	15	05
Equipment	38	15	05
Office Mach & Devices	44	08	00
Audio Visual Equip	45	06	05
EDP Equip	46	05	00
Telephone System	47	10	00
Laboratory/Science Equipment	48	10	10
Medical/Hospital Equipment	49	10	10
Food Service & Appliances	51	15	05
Communications (Radio/TV) Equip	52	10	05
Sacred Vessels/Vestments/Altar Linens	54	10	10
Books, Periodicals & Materials	55	7	10
Fine Arts	56	N/A	N/A
Music Equip & Instruments	57	20	10
Manufacturing Piping	58	20	00
Process Piping	60	20	00
Power Feed Mains	62	20	00
Vehicles -- Police -- Acq. Only	63	2	05
Mobile Equipment	64	12	05
Vehicles -- Licensed -- Acq. Only	66	8	10
Leased Equipment	67	N/A	N/A
"On Board" Vehicle Equipment	70	10	05
Maintenance & Grounds Equip.	72	15	05
Books & Periodicals "OV"	80	7 w/cost	N/A
Dockets & Maps "OV"	81	7 w/cost	N/A
Law Books "OV"	82	7 w/cost	N/A
Molds - Dies - Fixtures "OV"	83	N/A	N/A
EDP Software or Equip."OV"	84	5 w/cost	00
AV Software or Equip."OV"	85	6 w/cost	05
Miscellaneous Equip. "OV"	86	10 w/cost	00
Musical Instruments "OV"	87	20 w/cost	10
Uniforms "OV"	88	10 w/Cost	10
Stated Value Equipment	90	N/A	N/A
Athletic & Sports Equipment	91	10	10
Educational & Janitorial Supplies	98	N/A	N/A
"Optional" Description	99	Optional	Optional

FORM 311

Corporate Office
Two Gateway Center
603 Stanwix Street, Suite 1450
Pittsburgh, PA 15222
800-245-2718
412-471-2566
Fax: 412-471-1758
www.indappr.com

Please forward a copy of the Appraisal Summary to our Advisor Listed Below:

Advisor's Email:			
	Please indicate if you wish to have a copy forwarded to your advisor electronically each year: Yes □ No □		
Name:			
Company:			
Address:			
Name of Appraised Property:			
Signature:			
Print Name:		Date:	
Telephone:			
Form 311			

CHAPTER 194
TRANSIENT OCCUPANCY TAX
Effective ____

194.01 - DEFINITIONS.

Accommodations remarketer: means a person that reserves, arranges for, conveys, or furnishes occupancy, whether directly or indirectly, to a transient guest for a rental amount determined by the accommodations remarketer, directly or indirectly, whether pursuant to a written or other agreement, or who contracts with a vendor to market the hotel or transient accommodation and to accept payment from the transient guest for the accommodation. Examples of accommodations remarketers include, but are not limited to, online travel companies and discount travel services.

Exempted entity: means the government of the United States, the government of the State of Ohio, the governments of States other than Ohio, the governments of political subdivisions in the State of Ohio, the governments of political subdivisions of states other than Ohio, and organizations that are exempt from federal income taxation under Internal Revenue Code Section 501(c)(3).

Hotel: means every establishment kept, used, maintained, advertised or held out to the public to be a place where sleeping accommodations are offered to guest(s), in which five (5) or more rooms are used for the accommodation of such guests, whether such rooms are in one (1) or several structures. The term "Hotel" shall include "Motel".

Transient accommodations: means every establishment kept, used, maintained, advertised or held out to the public to be a place where sleeping accommodations are offered to guests in which four (4) or fewer rooms are used for the accommodation of such guests, whether such rooms are in one (1) or several structures.

Transient guests: means person(s) occupying a room or rooms for sleeping accommodations for less than thirty (30) consecutive days.

Vendor: means the person who is the owner or operator of the hotel or transient accommodation and who furnishes the lodging.

194.02 - IMPOSITION OF TAX.

(A) To provide for the purposes of general municipal operations, capital improvements, maintenance and repair of equipment, streets and other physical properties, purchase of new equipment, and the payment of principal and interest on bonds issued by the city, an excise tax of three percent (3%) is hereby levied on transactions by which lodging by a hotel or transient accommodations is or is to be furnished to transient guests, pursuant to ORC § 5739.08 and furthermore, an additional excise tax of three percent (3%) is hereby levied on transactions by which lodging by a hotel or transient accommodation is or is to be furnished to transient guests pursuant to ORC § 5739.09. Purchase of a room or rooms by a transient guest through an accommodations remarketer is a transaction by which a hotel or transient accommodation is to be furnished to transient guests and is subject to tax at the price paid by the transient guest to the accommodations remarketer.

(B) Although the above levies are separate and distinct for purposes of determining distribution, the combined amounts of six percent (6%) are hereby referred to as the "Hotel/Motel Excise Taxes".

(C) The tax applies and is collectible at the time the lodging is furnished regardless of the time when the price is paid. The tax does not apply to lodging furnished to exempted entities. Lodging shall be considered to be furnished to an exempted entity only if the lodging is purchased by an agent of the exempted entity and directly purchased with the exempted entity's funds. For purposes of this section, lodging purchased with a credit card on which the exempted entity is the primary accountholder shall be considered to have been directly purchased with the exempted entity's funds.

(D) For the purpose of the proper administration of this chapter, and to prevent the evasion of the tax it is presumed that all transactions for lodging furnished by hotels or transient accommodations in the city to transient guests are subject to tax until the contrary is established by the transient guest.

(E) All revenues generated by this excise tax will be distributed as follows:

(1) The entire excise tax collected pursuant to ORC § 5739.08 shall be deposited into the general fund.

(2) The additional excise tax collected pursuant to ORC § 5739.09 to be distributed as follows: 50% shall be deposited into the Upper Arlington Visitors' Bureau Fund, which is hereby created, and which shall be spent solely to make contributions to convention and visitors' bureaus operating within Franklin County as directed by city council. The remaining 50% shall be deposited into the general fund.

194.03 - TRANSIENT GUEST TO PAY TAX.

The tax imposed by this chapter shall be paid by the transient guest to the vendor and each vendor shall collect from the transient guest the full and exact amount of the tax payable on each taxable lodging.

If the tax is claimed to be exempt, the transient guest must furnish to the vendor, and the vendor must obtain from the transient guest, a statement specifying the reason that the sale is not legally subject to the tax. If no statement is obtained, it shall be presumed the tax applied.

194.04 - REFUND OF ILLEGAL OR ERRONEOUS PAYMENTS.

The director of finance shall refund to vendors the amount of taxes paid illegally or erroneously or paid on any illegal or erroneous assessment where the vendor has not reimbursed himself from the transient guest. When such illegal or erroneous payment or assessment was not paid to a vendor but was paid by the transient guest directly to the city, the finance director shall refund the appropriate amount to the transient guest. Applications shall be filed with the finance director on the form prescribed by the finance director, within ninety (90) days of the date it is ascertained that the assessment or payment was illegal or erroneous. However, in any event such application for refund must be filed with the finance director within four (4) years from the date of the illegal or erroneous payment of the tax. On filing of such application, the finance director shall determine the amount of refund due and issue the refund to the person claiming such refund.

194.05 - REQUIRED RECORDS.

Each vendor shall keep complete and accurate records of lodging furnished, together with a record of the tax collected thereon, which shall be the amount due under this chapter and shall keep all invoices and such other pertinent documents. If the vendor furnishes lodging not subject to the tax, the vendor's records shall show the identity of the transient guests, if the sale was exempted by reason of such identify, or the nature of the transaction if exempted for any other reason. Such records and other documents shall be open during business hours to the inspection of the finance director and shall be preserved for a period of not less than four (4) years, unless the finance director, in writing, consents to their destruction within that period, or by order requires that they be kept longer.

194.06 - RETURNS REQUIRED.

Each vendor shall file a quarterly return on forms prescribed by the finance director showing receipts from furnishing lodging, the amount of tax due from the vendor to the city for the period covered by the return, and such other information as the finance director deems necessary for the proper administration of this chapter. The quarterly return is due on or before the 15 th day of the following month during a calendar year. The finance director may extend the time for making and filing returns. Returns shall be filed by mailing the same to the finance director, together with payment of the amount of tax shown to be due thereon. The finance director shall record the date and amount of payment received with the return. Any vendor who fails to file a return under this chapter shall forfeit and pay into the city treasury the sum of one percent (1%) of the tax due. The director of finance, if deemed necessary in order to ensure the payment of the tax imposed by this chapter, may require returns and payments to be made for other than in quarterly periods. The returns shall be signed by the vendor or authorized agent.

194.07 - LIABILITY, ASSESSMENT AND PETITION FOR REASSESSMENT: PENALTIES.

(A) If any vendor collects the tax imposed by or pursuant to this chapter and fails to remit the same to the city as prescribed, such vendor shall be personally liable for any amount collected which he failed to remit. The finance director may make an assessment against such vendor based upon any information in the finance director's possession. If any vendor fails to collect the tax or any transient guest fails to pay the tax imposed by or pursuant to this chapter on any transaction subject to the tax, such vendor or transient guest shall be personally liable for the amount of the tax applicable to the transaction. The finance director may make an assessment against either the vendor or transient guest as the fact may require, based upon any information in the finance director's possession. An assessment against a vendor in cases where the tax imposed by or pursuant to this chapter has not been collected or paid, shall not discharge the transient guest's liability to reimburse the vendor for the tax applicable to such transaction.

(B) In each case the finance director shall give to the vendor or transient guest assessed written notice of such assessment. Such notice may be served upon the vendor or transient guest personally or by registered or certified mail. An assessment issued against either pursuant to the provisions of this chapter shall not be considered an election of remedies, nor a bar to an assessment against the other for the tax applicable to the same transaction, provided that no assessment shall be issued against any vendor or transient guest for the tax due on a particular transaction if said tax has actually been paid by another.

(C) The director of finance may make an assessment against any vendor who fails to file a return required by this chapter or fails to remit the proper amount for the tax in accordance with this chapter. When information in the possession of the director of finance indicates that the amount required to be collected is, or should be, greater than the amount remitted by the vendor, the director of finance may, upon the basis of test checks of a vendor's business for a representative period, which are hereby authorized, determined the ratio which the tax required to be collected under this chapter bears to the hotel's or transient accommodations' lodging which determination shall be the basis of an assessment as herein provided in this chapter. Notice of such assessment shall be made in the manner prescribed in this chapter.

(D) Unless the vendor or transient guest, to whom said notice of assessment is directed, files within thirty (30) days after service thereof, either personally or by registered or certified mail a petition, in writing, verified under oath by said vendor, transient guest, or his authorized agent, having knowledge of the facts, setting forth with particularity the items of said assessment objected to, together with the reasons for such objections, said assessment shall become conclusive and the amount thereof shall be due and payable, from the vendor or transient guest so assessed, to the director of finance. When a petition for reassessment is filed, the director of finance shall assign a time and place for the hearing of same and shall notify the petitioner thereof by registered or certified mail, but the director of finance may continue the hearings from time to time if necessary.

(E) A penalty of ten percent (10%) shall be added to the amount of every assessment made under this chapter. The director of finance may adopt and promulgate rules and regulations providing for the remission of penalties added to assessments made under this chapter.

(F) When any vendor or transient guest files a petition for reassessment as provided in this chapter, the assessment made by the finance director, together with penalties thereon, shall become due and payable within three (3) days after notice of the finding made at the hearing has been served, either personally or by registered or certified mail, upon the party assessed.

194.08 - LIMITATION FOR ASSESSMENTS.

No assessment shall be made or issued against a vendor or transient guest for any tax imposed by or pursuant to this chapter more than four (4) years after the return date for the period in which the lodging was furnished, or more than four (4) years after the return for such period is filed, whichever is later. This section does not bar an assessment:

(A) When the director of finance has substantial evidence of amounts of taxes collected by a vendor from transient guest's lodging that were not returned to the city.

(B) When the vendor assessed failed to file a return as required.

(C) When the director of finance and the vendor or guest waives the limitation in writing.

194.09 - TAX PAID BY TRANSIENT GUEST; FALSE EVIDENCE OF TAX-EXEMPTION.

No transient guest shall refuse to pay the full and exact tax as required by this chapter, or present to the vendor false evidence indicating that the lodging as furnished is not subject to the tax.

194.10 - VENDOR TO COLLECT TAX; PROHIBITION AGAINST REBATES.

No vendor shall fail to collect the full and exact tax as required by this chapter. No vendor shall refund, remit or rebate to a transient guest, either directly or indirectly any of the tax levied pursuant to this chapter, or make in any form of advertising, verbal or otherwise, any statements which might imply that he is absorbing the tax, or paying the tax for the transient guest by an adjustment of prices, or furnishing lodging at a price including the tax, or rebating the tax in any other manner.

194.11 - REPORT FILINGS.

No person, including any officer of a corporation or employee of a corporation having control or supervision of or charged with the responsibility of filing returns, shall fail to file any return or report required to be filed by this chapter, or file or cause to be filed any incomplete, false or fraudulent return, report or statement.

If any vendor required to file returns under this chapter fails on two (2) consecutive quarters, to file such returns when due or to pay the tax thereon, or if any other vendor authorized by the finance director to file returns at less frequent intervals, fails on two (2) or more occasions within a twenty-four-month period, to file such returns when due or to pay the tax due thereon, the finance director may: require such vendor to furnish security in an amount equal to the average tax liability of the vendor for a period of one (1) year, as determined by the finance director from a review of returns or other information pertaining to such vendor, which amount shall in no event be less than one thousand dollars ($1,000.00). The security may be in the form of a payment to be applied to pay the tax due on subsequent returns, or a corporate surety bond, satisfactory to the finance director, conditioned upon payment of the tax due with the returns from the vendor. The security must be filed within ten (10) days following the vendor's receipt of the notice from the finance director of its requirements.

A corporate surety bond filed under this section shall be returned to the vendor if, for a period of twelve (12) consecutive months following the date the bond was filed, the vendor has filed all returns and remitted payment therewith within the time prescribed in this chapter.

194.12 - PERSONAL LIABILITY OF CORPORATE OFFICERS OR EMPLOYEES.

If any vendor corporation required to file returns and to remit tax due to the city under the provisions of the chapter, fails for any reasons to make such filing or payment, any of its officers or employees charged with the responsibility of filing returns and making payments shall be personally liable for such failure. The dissolution of a corporation shall not discharge an officer or employee's liability for a prior failure of the corporation to file returns or remit tax due. The sum due for such liability may be collected by assessment in the manner provided in this chapter.

194.13 - INTEREST ON UNPAID COLLECTED TAXES.

All taxes collected by a vendor from a transient guest and remaining unpaid after they become due pursuant to this chapter shall bear interest computed daily on the amount of such unpaid taxes at the maximum statutory rate permitted by ORC § 5703.47.

194.90 - VIOLATIONS.

(A) No transient guest shall fail, neglect or refuse to pay the tax, interest and penalties imposed by this chapter.

(B) No vendor shall fail, neglect or refuse to collect from a transient guest the taxes imposed by this chapter.

(C) No vendor shall fail, neglect or refuse to pay the taxes collected from a transient guest or the interest and penalties imposed by this chapter.

(D) No person shall violate any of the provisions of this chapter.

194.99 - PENALTIES.

(A) (1) Except as otherwise provided herein, a violation of C.O. § 194.90(A), (B), or (D) shall be a minor misdemeanor as defined in C.O. ch. 501. The court shall sentence the offender to a fine of not less than fifty dollars ($50.00) for each violation.

(2) If the offender has previously been convicted of or pleaded guilty to a violation of C.O. § 194.90(A), (B), (C), or (D), a violation of C.O. § 194.90(A), (B), or (D) shall be a

misdemeanor of the third degree as defined in C.O. ch. 501. The court shall sentence the offender to a fine of not less than one hundred dollars ($100.00) for each violation.

(B) (1) Except as otherwise provided herein, a violation of C.O. § 194.90(C) shall be a misdemeanor of the third degree as defined in C.O. ch. 501. The court shall sentence the offender to a fine of not less than one hundred dollars ($100.00) for each violation.

(2) If the offender has previously been convicted of or pleaded guilty to a violation of C.O. § 194.90(A), (B), (C), or (D), a violation of C.O. § 194.90(C) shall be a misdemeanor of the first degree as defined in C.O. ch. 501. The court shall sentence the offender to a fine of not less than two hundred dollars ($200.00) for each violation.

$ 267,010.45

American Rescue Plan Act Use of Funds (Ord. 38-2021)		**Amount**	
RAISE Grant	$	35,000.00	C*
Time Clock scanners	$	1,500.00	C*
Mobility Hub Concept	$	35,000.00	A
Explore Licking County Advertisement	$	3,000.00	A
Scanning of Zoning documents	$	20,000.00	C*
Police radios	$	36,500.00	B
Total	**$**	**131,000.00**	

Year		**Total Income Tax Revenue**	**Annual Revenue Growth**
2016	$	1,590,532	
2017	$	1,798,666	13.09%
2018	$	1,946,828	8.24%
2019	$	2,127,142	9.26%
3-yr average			**10.2%**

Calculation of Income Tax Revenue Reduction

2019 tax revenue	$	2,127,142
3-yr average revenue growth		10.2%
Projected 2020 revenue based on 3-year avg ann rev growth	$	2,344,110
2020 tax revenue	$	2,108,046
Missed Revenue - Income Tax Revenue Replacement	**$**	**236,064**

Revenue Replacement used thus far (from C*)	$	(56,500)
Revenue Replacement funds remaining	$	179,564

Allowed uses of the Coronavirus State and Local Fiscal Recovery Funds

A To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;

B To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;

C For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and

D To make necessary investments in water, sewer, or broadband infrastructure.

Source: Department of the Treasury, Interim Final Rule.

C* The total expenditure amount from this category is limited to the reduction in revenue as calculated above ($236,064).

Income Tax revenue replacement has been calculated using the formula for the three-year average revenue growth as described in the Interim Final Rule p. 57.

Expense Description	Note
Miles Estate Attorney	*No appropriation was made for this*
New Cruiser outfitting	*to be reclassed to Cruiser PO once establi*
RAISE grant	*to be reclassed to ARP Funds*
Dague Tree (cemetary)	*to be reimbursed from Insurance*
Project Mastodon	*Will be recouped from SIB loan*
Total 2021 spend in Budget Stabilization Fund	

	Amount
	$ 5,000.00
ished	$ 3,326.89
	$ 8,857.50
	$ 517.00
	$ 2,245.00
	$ 19,946.39

Bonded Project Status
as of 10/19/2021

Bond Year	Project	Bonded Amount	adjusted	Updated Bonded Amount	Total Spend to-date	Amount Remaining
2020	*General*					
	Salt Storage Building	$ 300,000	$ (999)	$ 299,001	$ (273,998)	$ 25,003
	Plow Truck	$ 150,000	$ 999	$ 150,999	$ (150,999)	$ -
	Water System Improvements					
	Water Tower & land	$ 2,100,000	$ 986,014	$ 3,086,014	$ (970,475)	$ 2,115,539
	310 Waterline	$ 2,900,000	$ (1,948,835)	$ 951,165	$ (125,788)	$ 825,377
	Croton Rd Waterline	$ 750,000	$ 962,821	$ 1,712,821	$ (1,249,684)	$ 463,137
	Roadway Projects					
	Westview Drive	$ 645,000		$ 645,000	$ (645,000)	$ -
	E Jersey St	$ 90,000		$ 90,000	$ (73,583)	$ 16,417
	S Oregon Phase III	$ 175,000		$ 175,000	$ (175,000)	$ -
	Sewer System Improvements					
	Jersey Sewer & valleyview sewer rehab	$ 1,500,000		$ 1,500,000	$ (240,636)	$ 1,259,364
	Totals	**$ 8,610,000**	**$ (0)**	**$ 8,610,000**	**$ (3,905,163)**	**$ 4,704,837**

Earmarked to be spent against Sewer System Improvements bond

WWTP upgrade	$ 35,000