



Finance Committee
Tuesday, October 19, 2021 - 5:00 PM
MINUTES

1. Call to Order

Committee Chair Benjamin Lee called the Finance Committee meeting for October 19, 2021 to order at 5:04 pm

Members Present - Ben Lee, Mayor Chip Dutcher, Cheryl Robertson
Absent - None

Staff present - Jim Lenner, Jack Liggett, Dana Steffan, Bailey Klimchak, Chief Haroon, Teresa Monroe.

Public present - Lewie Main

2. Action on Minutes

a. September 21, 2021

ACTION: Cheryl Robertson moved to Approve; Chip Dutcher seconded and all were in favor.

AYES: Benjamin Lee, Chip Dutcher, Cheryl Robertson

NOES: None

ABSTAIN: None

Passed 3 - 0

3. Finance Director Reports

Reports sent with packet; nothing notable to call out.

a. Director Reports

b. Bank to Book

4. Part-time employee consideration for Street Department

Discussion on a potential part-time street employee. The employee being considered would be capable of handling light duty truck maintenance and be a back up for street

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

plowing, is interested in 20-30 hours per week. Jack Liggett said he believes the village would save up to fifty percent on costs for sending vehicles out for maintenance. Wage to start would be \$18.00; annual salary \$28,000 - \$30,000 depending on hours, Mr. Lee said that is about what is collected in the Permissive Motor Vehicle Fund. Start date would be after December 4th. Mr. Liggett added that two street department employees have resigned; the search for replacements is in process.

ACTION: Benjamin Lee moved to bring on the part-time street department employee, to be paid out of Permissive Motor Vehicle Funds; Cheryl Robertson seconded and all were in favor.

AYES: Benjamin Lee, Chip Dutcher, Cheryl Robertson

NOES: None

ABSTAIN: None

Passed 3 - 0

5. Bed Tax Consideration

Ben Lee said the County has their bed tax that defines hotels for bed tax as five units or more but they don't have any definition for anything four units and under. Mr. Lee said we are able to define our own and enact a tax of similar nature. He added that Planning and Zoning has defined Hotel and Motel, and Transient Accommodations, which defines four units and under, they were made conditional in the commercial district, and prohibits them in residential; ordinances on council agenda tonight. Mr. Lee proposed using Upper Arlington's codified ordinance on Bed Tax and making it specific to Johnstown to enact the bed tax which has now been defined. With the county tax, anything five units and over would have a local tax and a county tax; anything four units and under would only have the local tax. Ms. Robertson noted that only the guests would pay the additional tax, not the owner or company itself. Discussion on how the ordinance could define how money received would be divided out.

ACTION: Cheryl Robertson moved to continue on with discussion of bed tax consideration utilizing Upper Arlington as an example; Mayor Dutcher seconded and all were in favor.

AYES: Benjamin Lee, Chip Dutcher, Cheryl Robertson

NOES: None

ABSTAIN: None

Passed 3 - 0

Finance Director asked to pass along to the Law Director to review and prepare for codification; ordinance to return to committee for review.

6. Water & Sewer Rate Review

Finance Director Dana Steffan prepared and reviewed projections showing fund ending balances with and without the five percent increase in place and said if the five percent is not enacted we should still be fine, that the village is pulling in much more water and sewer revenue than anticipated. Jack Liggett said that in 2022 we are looking at somewhere between \$800,000 and one million dollars in engineering fees for expansion of each plant.

Discussion on cost of plant upgrades, funding and opinions on ease of increase in rate a little at a time as planned through 2025 rather than a large increase all at once if it is found needed. Jack also pointed out that tap fees will not be coming in as they have been after 2022.

ACTION: Chip Dutcher moved to Approve; Cheryl Robertson seconded and all were in favor.
AYES: Benjamin Lee, Chip Dutcher, Cheryl Robertson
NOES: None
ABSTAIN: None

Passed 3 - 0

7. GAAP conversation & Asset valuation quotes

Finance Director Dana Steffan said that with city status, we are required to report financials on GAAP basis and explained the more complex requirements; said that it is not something she can do on her own but in the future when everything is converted, she does expect to maintain the process in house. Ms. Steffan said there will be a cost for getting our 2021 balances to where they need to be for creating entries and for preparing the fiscal year 2021 financial statement. She provided a summary of cost for the initial work needed and said she was in favor of using local accounting firm Julian and Group, also used by the school district and other local communities; said she fully trusts their capabilities in this process. Another cost will be to put a value to all of our assets; Ms. Steffan reviewed quotes received by two asset valuation firms. Discussion on checking with other municipalities, Sunbury etc. to see who they will be using or who may need to go through the same process and potential for cooperation. Ms. Steffan added that along with asset valuation we will have to determine what our threshold for capitalization will be and explained; discussion on examples.

ACTION: Cheryl Robertson moved to go forward with hiring Julian and Group CPA for the GAAP conversion, for one year at this time; Ben Lee seconded and all were in favor.
AYES: Benjamin Lee, Chip Dutcher, Cheryl Robertson
NOES: None
ABSTAIN: None

Passed 3 - 0

Direction for Finance Director to continue seeking quotes for asset valuation as well as reaching out to other cities.

Decision to go ahead with the \$5000 threshold for capitalization.

Keep topic on for next meeting. Additional Finance committee meeting scheduled for Nov 1st at 5pm in the admin conference room.

8. Budget Review 2022: Updates/Q&A

Update from Finance Director on the cost quote from Software Solutions for new software; quote down to \$145,000 for what is needed. Discussion on a payment plan and ARPA fund allowances.

Review and work on the revenue portion of the 2022 Budget draft.

Next committee meeting; sub budget breakdown of ARPA funds and balance available, updated numbers on Leafy Dell round-a-bout and how CIP is broken down within the budget. Ms. Steffan provided a bonded status sheet and encouraged review.

9. Other Business

No further business.

10. Adjourn

ACTION: Chip Dutcher moved to Adjourn; Cheryl Robertson seconded and all were in favor.

AYES: Benjamin Lee, Chip Dutcher, Cheryl Robertson

NOES: None

ABSTAIN: None

Passed 3 - 0

Meeting adjourned at 6:22 pm