Finance Committee Meeting
Tuesday, May 18, 2021 - 5:00 PM
AGENDA

1. Call to Order
2. Action on Minutes
    a. April 20, 2021
3. Finance Director Reports
    a. Bank-to-Book Reconciliation; Finance Report; Financials
4. Presentation - Sewer Plant Expansion (Prime Engineering)
5. Water Plant Expansion (Jack)
6. Fireworks Event 2021 Considerations (Ben)
7. ARP Fund Distribution / Treasury Guidance (Jim/Dana)
8. RAISE Grant Application for Mobility Hub (Jim)
9. Lexipol Annual Renewal Cost (Chief)
10. Local Lighting Cost Comparisons Update (Jack)
    a. Lighting questions
11. Other Business
12. 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

Finance Committee
Tuesday, April 20, 2021 - 5:00 PM
MINUTES

1. Call to Order

Committee Chair Benjamin Lee called the Finance Committee meeting for April 20, 2021 to order at 5:02 pm

Members Present - Ben Lee, Mayor Chip Dutcher
Absent - Cheryl Robertson

Staff present - Jim Lenner, Dana Steffan, Chief Haroon, Marvin Block, Bailey Klimchak, Teresa Monroe.

Public present - None

2. Action on Minutes

a. March 16, 2021 Regular and March 24, 2021 Special

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

Passed 2 - 0

3. Finance Director Reports

a. Finance Report

Dana Steffan said aside from what is written in the report, nothing else noteworthy; Mr. Lee noted a report from OML on impact of HB157 with respect to municipal tax withholding because of workers working from home; asked about local impact on the village. Ms. Steffan said she received feedback from RITA and was provided with a ten, twenty and thirty percent net impact of non-resident employees shifting to working from home and the thirty percent would be a negative to the village of about $253,000 so that

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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

could be the extent of the impact we would see. Discussion on different scenarios, Ms. Steffan said she needs to look more at the details RITA provided to see what they are looking at. Mr. Lee said he would like to see an analysis and to see what factors are being taken into account; noted potential for legislation to oppose at next council meeting. Mr. Lenner said he would hate to oppose it and then there is a benefit to Johnstown, would like to see the analysis. Discussion on having the analysis within ten days.

4. New Account Needed for ARP Funds

Finance Director confirmed she plans to create a new fund when the village receives the American Rescue Plan Act money. No new guidance released from Treasury at this point. Mayor Dutcher said the only new thing they came out with is a new list of towns and amounts they would receive.

5. Jersey Street Funding Update (SIB Loan / Park / Treasury Guidelines)

The application has been submitted to Small Governments; decision could be made May 12th. Mr. Lenner discussed points and scoring; said he has talked to the SIB people to see if we can piggy-back off of the existing Sportsmans Club Road loan just executed or would apply for a new one.

6. Water and Sewer Rates discussion

Finance Director provided analysis and projected figures on where the village would be at the end of 2022, 2023 and 2024 if the current allocation were kept along with the five percent increase in the water rate each year; said she also increased expenses by five percent each year to be conservative. Ms. Steffan projects that by fund everything would be ok through the end of 2023 but 2024 goes into a negative balance but by making a small change in allocation in the four funds, she shows more of a steady stream in the balances; however for such a small change, she does not feel it is necessary to do at this time. Ms. Steffan added that another assumption in her analysis was to take New Day sewer revenue out of the equation; it was noted that t the contract revenue on water was not considered either. Mr. Lenner said that water consumption leads to expense, the sewer does not; Ms. Steffan said the water revenue was not increased nor was the expense. Discussion on sewer operating cost and exploring alternative energy providers, sources and funding.

Continued discussion on changing the allocation of water and sewer funds now; decision for Finance Director to review in six months to look at actuals.

7. Parks & Rec Committee Items

a. Trailhead Sidewalk Quote / Rt 62 Hannah's Park Sidewalk Quote

Marvin Block discussed bids received by Mark Rogers Construction and Holbrook Custom Concrete for both the Trailhead sidewalk to the shelter house and for the Hannahs Park walkway; Holbrook bid came in at a lower cost by ten thousand dollars. Added that the stone company on Pratt Street is donating an archway and Susan Straub is going to draw up a plan for Hannahs Park entrance. Mr. Block said the idea is to get all this together and present to the Babcock Foundation for funding. Discussed grass fertilization at the three parks and moving forward with the Trailhead sidewalk and fertilization now; the Hannahs Park walkway project to be submitted to the Babcock Foundation separately. Holbrook estimate for the Trailhead sidewalk is $2,200 to $2,500, fertilizer cost estimated at $1,500.

ACTION:	Chip Dutcher moved to Approve $4,500.00 total from the General Fund ($3,000.00 sidewalk, $1,500 fertilizer and landscaping); Ben Lee seconded and all were in favor.
AYES:	Benjamin Lee, Chip Dutcher
NOES:	None
ABSTAIN:	None
	Passed 2 - 0

8. Federal Notice of Funding Opportunity: RAISE Grant for Infrastructure / Mobility Hub Concept

Mr. Lenner said the RAISE program is the Federal Infrastructure dollars through the ARPA program; Mr. Lenner said he was thinking the opportunity to apply for the 3 million plus dollars for the construction of the Mobility Hub then that project would be complete. Noted the village has not secure any money right now but did submit the $900,000 application with Congressman Balderson's office; has not heard back as of yet. The $250,000 ask to the County has made it up the chain, looking for funds through air quality mitigation (CMAQ).

Mr. Lenner noted the RAISE Grant is due July 12, 2021 and he will also be looking at a water and sewer solar energy application; will take up staff time and looking for reassurance of Council support.

ACTION:	Chip Dutcher moved to proceed with moving forward on exploring the RAISE Grant for the Mobility Hub and for water and sewer solar; Benjamin Lee seconded and all were in favor.
AYES:	Benjamin Lee, Chip Dutcher
NOES:	None
ABSTAIN:	None
	Passed 2 - 0

The matter will be brought to full Council.

Jim Lenner also gave a brief explanation of Toll Development Credits and how that could be used.

9. Other Business

1. Ben Lee noted the open position on the Police Department and gave his thoughts on making the village compensation package competitive; asked if there was a need to advertise outside of the area, add a signing bonus or cover moving expenses etc. Marvin Block said that could start a slippery slope, we don't pay moving expenses for any other departments; would have to be across the board. Chief Haroon said there are a few factors; first, we could do a little better with the benefit package but feels we are making good strides, secondly he said candidates are getting lost in background, he performs a very stringent background investigation and he wants only the best candidates for this community, lastly, there are just not a lot of people interested in being police officers right now. Chief said he has been casting a wider net, applying with academies further from us, considering visiting with cadets; added at this time he doesn't thing the mentioned incentives are appropriate just yet. Chief Haroon added that the village has not been very competitive with other agencies in Licking County, as we stand now we are not but feels that what is on the table will make us competitive with what is out there and thinks that is what is needed to get the applicants in the door.

10. Adjourn

ACTION:	Benjamin Lee moved to Adjourn; Mayor Dutcher seconded and all were in favor.
AYES:	Benjamin Lee, Chip Dutcher
NOES:	None
ABSTAIN:	None
	Passed 2 - 0

Meeting adjourned at 6:05 pm

Bank / Account	Balance
Fifth Third Securities	3,191,890.40
Park General X9082	250,600.00
Park Payroll X9085	27,519.98
Water & Sewer X2587	16,316.64
Park Sweep X2608	12,053,321.42
Mayor's Court X9848	17,327.90
Total All Bank Accounts	**15,556,976.34**
Outstanding Checks	(118,745.19)
BALANCE PER BANK	**15,438,231.15**
Book Balance:	15,415,649.89
Variance:	**(22,581.26)**

Reconciling Items			
Q1 Unbooked Investment Income			
Fifth/Third Securities	$	3,480.15	*to be booked in July 2021*
Park National Bank	$	249.15	*to be booked in July 2021*
Water & Sewer Variances:			
Various posted receipts, did not clear bank	$	(525.16)	*timing*
Lockbox receipt cleared bank, not posted	$	211.66	*timing*
Water Deposits received, not posted	$	150.00	*timing*
Water chargeback, not yet posted	$	(146.45)	*timing*
Received in bank, not posted	$	118.00	*timing*
General Variances:			
check clearing variances	$	1.27	
Payroll Variances:			
OPERS employee deductions, will clear bank in next month	$	7,096.42	*timing*
OP&F employee deductions, will clear bank in next month	$	4,867.35	*timing*
State & School tax withheld, did not clear bank	$	6,385.42	*timing*
Various withholdings deducted, not yet paid	$	693.45	*timing*
Total Reconciling Items	**$**	**22,581.26**	
unidentifed variance	*$*	*0.00*	

Outstanding Checks	Check No.	Check Amount	Check Date
payroll	5953	$1,210.88	4/16/2021
payroll	5959	$295.62	4/16/2021
payroll	5960	$8.90	4/16/2021
payroll	5961	$1,213.35	4/30/2021
payroll	5963	$3,283.13	4/30/2021
payroll	5964	$1,277.10	4/30/2021
payroll	5965	$76.00	4/30/2021
payroll	5966	$75.00	4/30/2021
payroll	5967	$16.28	4/30/2021
	13783	$9.90	9/8/2020
	13792	$70.17	9/8/2020
	13971	$64.99	10/15/2020
	14100	$110.58	11/6/2020
	14221	$7,818.44	12/10/2020
	14354	$590.00	1/18/2021
	14426	$22.75	2/9/2021
	14432	$62.94	2/9/2021
	14437	$49.10	2/9/2021
	14455	$76.25	2/11/2021
	14457	$546.90	2/11/2021
	14524	$607.31	3/8/2021
	14526	$83.30	3/8/2021
	14559	$37.00	3/12/2021
	14640	$19.16	4/8/2021
	14642	$97.99	4/8/2021
	14643	$14.90	4/8/2021
	14644	$81.75	4/8/2021
	14645	$133.74	4/8/2021
	14647	$471.92	4/8/2021
	14649	$134.51	4/8/2021
	14651	$118.24	4/8/2021
	14665	$288.50	4/8/2021
	14677	$6,108.00	4/15/2021
	14691	$550.00	4/22/2021
	14694	$1,398.28	4/22/2021
	14699	$366.65	4/22/2021
	14700	$152.36	4/22/2021
	14705	$194.58	4/29/2021
	14706	$154.64	4/29/2021
	14707	$2,515.45	4/29/2021
	14708	$148.11	4/29/2021
	14709	$17,486.96	4/29/2021
	14710	$13,761.22	4/29/2021
	14711	$196.15	4/29/2021
	14712	$2,580.77	4/29/2021
	14713	$2,438.60	4/29/2021
	14714	$23,971.47	4/29/2021
	14715	$387.08	4/29/2021
	14716	$1,200.00	4/29/2021
	14717	$924.48	4/29/2021
	14718	$1,022.97	4/29/2021
	14719	$134.00	4/29/2021
	14720	$458.15	4/29/2021
	14721	$677.13	4/29/2021
	14722	$26.99	4/29/2021
	14723	$2,086.58	4/29/2021
	14724	$370.36	4/29/2021
	14725	$85.70	4/29/2021
	14726	$505.34	4/29/2021
	14727	$512.33	4/29/2021
	14728	$54.50	4/29/2021
	14729	$1,500.00	4/29/2021
	14730	$13,532.00	4/29/2021
	14731	$1,676.50	4/29/2021
	14732	$514.65	4/29/2021
	14733	$43.71	4/29/2021
	14734	$38.47	4/29/2021
	14735	$1,192.04	4/29/2021
	14736	$187.00	4/29/2021
	14737	$358.07	4/29/2021
	14738	$267.30	4/29/2021

Total O/S Checks at 4/30/21:
$118,745.19

Village of Johnstown
Administrative Offices
www.johnstownohio.org

VILLAGE OF JOHNSTOWN, OHIO

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Johnstown, Ohio 43031
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Finance Director's Report to Council
May 18th, 2021

1. Tax Revenue. Total Income Tax revenue collected through April 2021 was $791,382. This represents 34.9% of 2021 Budgeted Income Tax revenue of $2,270,400, and a 20.0% increase from 2020 collections for the same period.

   The largest source of the Village's income tax revenue, withholding taxes derived from individuals working in Johnstown, increased 25.5%, individual returns increased 3.7% (hereby ending this category's decrease streak in 2021), and business net profits increased 107.6% as compared to the same period in 2020.

   The table below illustrates the Village's April YTD income tax revenue from 2017 through 2021:

	2017	2018	2019	2020	2021
Withholding	$ 307,505	$ 335,957	$ 377,200	$ 395,431	$ 496,108
Individual	$ 157,446	$ 216,304	$ 266,017	$ 243,961	$ 253,086
Net Profit	$ 79,043	$ 22,325	$ 41,797	$ 20,321	$ 42,188
Total	**$ 543,994**	**$ 574,586**	**$ 685,014**	**$ 659,714**	**$ 791,382**

   Withholding taxes have increased every year from 2015-2021; this can be attributed to an increase in the number of jobs and increased pay rates in Johnstown. Additionally, April collections include a $64,000 payment in lieu of taxes from New Day Farms.

   Individual income tax collections for April YTD have surpassed 2020 YTD collections, yet are slightly behind the 2019 collections for the same period. In 2020 the tax filing deadline was extended to July 15th. In 2021 the filing deadline was extended to May 17th. These timing variants can have an impact on the current collections.

   The **2021 Net Profit** revenue is more than twice the amount of 2020 and up slightly compared with 2019. Thirty-one gifts reported $18k loss in 2020 with no net profit tax reported in 2021, thereby causing a positive variance for 2021 as compared to the prior year. Atrium is reporting a $9,300 increase over prior YTD net income. Bleckmann USA is reporting $2,800 in net profit taxes compared to $0 in the prior year.

2. Revenues and Expenditures. See attached spreadsheets for 2021 year-to-date revenue collections and expenditures.

   Notes on Revenue:

   General Fund – Real Estate Tax – The second half distribution will be received from Licking County in October. Based on the first half collection, I expect to receive about $67k more than the amount budgeted.

General Fund, Shared Taxes – Local Government distributions were $20,751 in April, of which $16,744 was for property tax rollback from the State. Local Government Funds from the State and County are up by $2,000 compared to 2020. At this point I am expecting to receive $94,000 by year-end, surpassing the $85,000 budgeted amount.

General Fund, Interest – The negative revenue showing here is a result of decreased earnings on our investments during Q1.

General Fund, Miscellaneous – Service & admin equipment has been sold on GovDeals (online auction) totaling $18,400 to-date.

General Fund, Other Funding Sources – $4,486 was transferred from the CARES Act Fund in January 2021.

Street Construction / State Highway Funds – Both are slightly lower than budget for Q1 due to the loss of revenues for the Gasoline tax as a result of COVID-19 and its impacts on travel. In 2020 we budgeted $300,000 and received $267,454, a shortfall of $32,546. The 2021 budgeted amount is also $300,000. At this time, we are projecting a shortfall of $47,900 n 2021 for the Gasoline Excise Tax. Motor Vehicle Registration revenue was budgeted at $96,750 in 2021. Currently we are projecting a surplus of $10,954. With community growth, new homes & residents, we will likely see this line continue to increase in the near future.

2906 Restricted Police Grants – Sales of police items on GovDeals are going into this Fund.

5101 Water Operating YTD collections include a $60,000 contract payment from New Day Farms. Without this payment, our collections are 36.5% of budget.

Water/Sewer Improvements Funds have each collected >100% of their respective budgets due to seventy-seven (77) new homes & one (1) new commercial building permitted YTD. Each new build home brings in $7,400 into the Water Improvements Fund, and $7,400 into the Sewer Improvements Fund. New Day Farms has also paid $73,986 in bulk sewer hauling YTD.

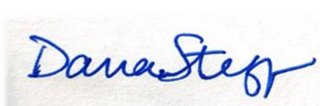
Enterprise Deposit Fund has collected 72.5% of its annual budget due to the high number of new homes permitted.

Notes on Expense:
General Fund, Public Health will be paid with the Property tax distributions in March and October as a reduction of the real estate tax distributions.

General Fund, Legislative Activities is 46% spent as a result of large legal fees YTD. This appropriation will need to be increased so that outstanding invoices can be paid. Ordinance 19-2021 is up for a vote at the next Council meeting to increase the legal budget by $30,000.

General Fund, Land & Buildings is 76% spent largely due to the April payment on the annual property & casualty insurance premium of $55,000.

Respectfully Submitted,



Dana Steffan, CPA
Finance & Human Resources Director

Village of Johnstown Financial Report

Revenues

	A	B	C	D	E	J
5	*as of*	*4/30/2021*				
6				**2021**	**Actual**	
7	A/C	**Sub-Fund**		**Expected Revenues**	**Revenues**	
8	1000	Real Estate Tax		$ 265,000	$ 166,460	62.81%
9	1000	Income Tax		$ 2,270,400	$ 791,382	34.86%
10	1000	Shared Taxes		$ 90,300	$ 37,102	41.09%
11	1000	Charges for Services		$ 150	$ 80	53.33%
12	1000	Permits, Fines, & Licenses		$ 228,700	$ 68,513	29.96%
13	1000	Interest		$ 25,000	$ (1,865)	-7.46%
14	1000	Miscellaneous		$ 28,000	$ 20,020	71.50%
15	1000	Other Financing Sources		$ -	$ 4,486	
16	1000	**Total General Fund**		**$ 2,907,550**	**$ 1,086,177**	37.36%
17						
18	2011	**Total Street Construction & Repair**		$ 462,810	$ 112,995	24.42%
19						
20	2021	**State Highway & Improvement**		$ 23,940	$ 6,952	29.04%
21						
24	2901	**Mayor's Court - Computer**		$ 1,000	$ 380	38.00%
25						
26	2906	**Restricted Police Grants**		$ 2,000	$ 6,569	328.43%
27						
28	2907	**Right-of-Way Fund**		$ 30,000	$ 2,864	9.55%
29						
32	5101	**Water Operating**		$ 639,750	$ 293,531	45.88%
33						
34	5201	**Sewer Operating**		$ 833,750	$ 281,442	33.76%
35						
36	5701	**Water Replacements & Improvements**		$ 308,000	$ 425,440	138.13%
37						
38	5702	**Sewer Replacements & Improvements**		$ 370,000	$ 481,635	130.17%
39						
40	5721	**Water Debt Service**		$ 430,000	$ 176,292	41.00%
41						
42	5722	**Sewer Debt Service**		$ 414,000	$ 122,758	29.65%
43						
44	5781	**Enterprise Deposit**		$ 40,500	$ 29,362	72.50%
45						
48	9904	**Mayor's Court**		$ 80,000	$ 23,864	29.83%
49						
50		**TOTAL ALL FUNDS**		**$ 6,543,300**	**$ 3,050,261**	46.62%

Village of Johnstown Financial Report

Expenditures

as of *4/30/2021*

A/C	Sub-Fund	2021 Appropriations	Actual Expenditures	
110	Police	$ 1,223,922	$ 450,222	36.79%
130	Street Lighting	$ 65,000	$ 21,082	32.43%
210	Public Health	$ 19,500	$ 9,364	48.02%
310	Recreation Department	$ 21,950	$ 2,558	11.65%
410	Zoning	$ 154,382	$ 29,678	19.22%
490	Economic Development	$ 42,000	$ -	0.00%
710	Administration	$ 512,091	$ 156,719	30.60%
715	Legislative Activities	$ 63,665	$ 29,574	46.45%
720	Mayors Court	$ 95,513	$ 29,976	31.38%
725	Finance Department	$ 84,301	$ 36,655	43.48%
730	Lands & Buildings	$ 108,200	$ 81,739	75.54%
740	County Auditor (Property Tax Collection)	$ 6,000	$ 3,096	51.59%
745	State Auditor	$ -	$ -	#DIV/0!
755/760	Income Tax Administration	$ 72,000	$ 22,245	30.90%
	Other Uses of Funds & Transfers	$ 716,900	$ 218,214	30.44%
1000	**Total General Fund**	**$ 3,185,424**	**$ 1,091,120**	**34.25%**
	Street Maintenance & Repair			
	Street Cleaning, Snow Removal			
	Traffic Signs & Signals			
	Sidewalks (Capital outlay)			
2011	**Total Street Construction & Repair**	**$ 482,013**	**$ 154,807**	**32.12%**
	State Highway Maintenance			
	Street Cleaning, Snow & Removal			
	Traffic Signs & Signals			
2021	**State Highway & Improvement**	**$ 22,500**	**$ 2,232**	**9.92%**
2901	**Mayor's Court Computer**	**$ 1,000**	**$ 939**	**93.90%**
2903	**Budget Stabilization Fund**	**$ 60,000**	**$ -**	**0.00%**
2905	**Leafy Dell Traffic Improvement Fund**	**$ 10,000**	**$ -**	**0.00%**
2907	**Right of Way Fund**	**$ 9,000**	**$ -**	**0.00%**
3101	**Debt Service Fund**	**$ 490,000**	**$ 8,884**	**1.81%**
4901	**Capital Projects**	**$ 1,818,808**	**$ 641,291**	**35.26%**

Village of Johnstown Financial Report

Expenditures

as of *4/30/2021*

A/C	Sub-Fund	2021 Appropriations	Actual Expenditures	
4902	**Capital Projects - US62**	**$ 153,400**	**$ -**	**0.00%**
5101	**Water Operating**	**$ 835,003**	**$ 295,767**	**35.42%**
5201	**Sewer Operating**	**$ 951,429**	**$ 256,449**	**26.95%**
5701	**Water Replacements & Improvements**	**$ 4,452,623**	**$ 619,464**	**13.91%**
5702	**Sewer Replacements & Improvements**	**$ 2,603,320**	**$ 285,686**	**10.97%**
5721	**Water Debt Service**	**$ 396,600**	**$ -**	**0.00%**
5722	**Sewer Debt Service**	**$ 481,500**	**$ -**	**0.00%**
5781	**Enterprise Deposit**	**$ 36,000**	**$ 15,062**	**41.84%**
9904	**Mayor's Court**	**$ 85,000**	**$ 24,759**	**29.13%**
	TOTAL ALL FUNDS	**$ 16,073,621**	**$ 3,400,945**	**21.16%**

Lighting Questions

Converting all 258 Street lights to LED

Cost 258 27watt led lights $43.17 each for a total of $11,137.86

Crew time would be in the ball park of 45 mins a light (that's for two employees) for a total of 193.5 hours

Called a contractor and they quoted me a price of $5,389.00 if they were to come in and install the lights

Please note this is just to remove the ballast of the existing light and replace the light with a LED bulb, this is not for a fixture like what AEP has presented.

- I do not have info on January or February light maintenance I wasn't tracking at the time, but now we are.
- I've contacted energy co-op we are leasing 12 lights in town and its an additional $14.00 on our bill to lease these lights. $168.00 a month on top of our usage bill