

FINANCE COMMITTEE MEETING

March 26, 2018

5:03 p.m.

Members present: Joette Dedden; Chris Colvin; Brian Blankenship

Staff Present: Kitty Crockett, Finance Director; Jamie Morley, Clerk to Council

Guests in attendance: Kimberley Kaan, Dale Kaan, David Stubbs, Zachary Gallagher, Nancy Walther

1. Mr. Colvin made a motion to approve the Finance Committee minutes from the February 22nd, 2018 meeting as written and was seconded by Mr. Blankenship.

3 Yeas

2. Ms. Dedden asked the staff to advertise the rental of the Lock Up for \$500 a month.
3. Ms. Crockett informed the Committee that the credit due to the Village from Embarq is in process and should take 1 to 2 billing cycles to be implemented.
4. Mr. Colvin made a motion to remove the landline from the Sawyer Building and was seconded by Mr. Blankenship.

3 Yeas

5. Ms. Morley was directed to follow up with Charlie from E-panel to ensure the rate increase for bulk water will occur on Monday, April 2nd, 2018.
6. Ms. Dedden informed the Committee that to date the lawsuit over water rates with Warren County has cost the Village in legal fees \$1,472.50 from February 2017 to July 2017 and \$24,700.00 from July 28, 2017 to January 2018. Furthermore, the drafting of an Emergency Water Agreement with the County has also cost the Village \$617 in legal fees. Mr. Blankenship wanted to ensure that part of our countersuit asked for recuperation of court/lawyer fees, which it does.
7. Ms. Kaan asked if the County was still bypassing the meter at the Corwin connection. Ms. Morley was unsure at the time. Ms. Morley also wanted to get the Finance Committee's input on customization of the new billing software. Currently late fees are applied to all funds as late fee 1 (water) and late fee 2 (the rest of the

utilities group together). The sewer late fee payments need to be broken out. There are 2 options 1) report is printed monthly with the amount of sewer late fee payments which would cost around \$500 to \$250 a month. 2) Break out late fee 1 as only sewer and late fee 2 as all other late fees. It was agreed option 2 would be the best long term and the easiest. Kitty will create a fund in the general account to place all the late fees for all other funds.

8. The Committee discussed the renewal of the law directors contract. Mr. Forbes had sent out an email to Council stating that the contract ends in February but would like to continue a month by month basis until 2019 so his office can have renewals for all their clients at the same time of year. Mr. Gallagher suggested that the Village ask for a 3-year contract rather than 2. It was also suggested that the Committee investigate other possible solicitors and compare rates. Mr. Colvin stated that if the Village were to get a new Law Director there is a big learning curve to understand the Village's nuances and history. The Finance Committee will ask other municipalities about their law directors and compare services and prices.

- Mr. Colvin made a motion to accept Mr. Forbes on the offer to continue the rest of the year at current price and seconded by Mr. Blankenship.

3 Years

9. House Bill 49: Centralized Collection of income tax. Currently RITA keeps 3% and the Gateway (state) will charge .5%. However, the question is that once the state gets their foot in the door, will the .5% increase and another concern is how long will it take the state to get the municipality their income tax money? Currently businesses can elect to file through the Gateway, but now HB 49 allows the state to profit for collecting local income taxes. Ms. Dedden asked why the income tax was less than last year and Ms. Crockett explained that at the beginning of 2017 RITA performed a subpoena program. This could explain the difference between the two years.
10. Nancy Walther had a question concerning Lily Chapel, 340 Old Stage. She is moving the chapel and had a question about pulling the meter. If the meter is pulled, then and a water bill is no longer generated and paid would the new building have to pay the water connect fee? It was agreed that if the meter is pulled and a new building put on the lot that a water connect fee would have to be paid.

11. Ms. Kaan figured the math for the water commodity rate in 2017 which was \$2.32 per 1,000. In 2015 it was 2.08. In 2016 it was in \$1.92. 2017 had a big jump due to all the improvements to the wellfield and water system. This figure is purely the operating fee. If the Village were to plan on putting 250K from operating into Capital, then the rate should be \$3.39 for 2017. Ms. Kaan wanted to stress that the current rate (\$2.32) that County pays is very insufficient. While going through and figuring the rates Ms. Kaan discovered several items that should have been taken out of water capital and not operating water fund. Ms. Kaan also asked if there could be lines within the capital fund that earmarks the money for certain items/projects that Council is planning for future capital expenditures.
12. At this time Ms. Crockett went over an explanation of the different funds codes and fund accounting. The Finance Committee also reviewed the permanent appropriations. Ms. Crockett explained that she worked with Mr. Norris, Chief, and Ms. Morley to ensure the projects that Council had approved for the upcoming year were in the appropriations such as the meter changeout program. She further explained that water, general, water capital and streets have a contingency fund for unplanned project or expenses. The money cannot be moved out of the contingency fund without legislation and Council approval. She wanted to also stress that there is also about 4 million in expected revenues that are not appropriated.
13. Ms. Crockett also stated that she spoke with Open Checkbook and it can only be updated once a year. She will follow up and see if this is true because the way the program was originally pitched was that it could be updated on a as needed basis.
13. Meeting was adjourned at 6:50 PM.