

Call to Order

The Special Session of Council was called to order by Vice Mayor York Bryant at 5:08pm. The meeting was opened with the Pledge of Allegiance.

Purpose – Public Hearing of Proposed Tax Budget and Adoption

Roll Call

Roll Call was completed by Clerk of Council. The following members were present.

York Bryant – P

Judy Neal – P

Terry Erwin– P

John Poe – P

Rebecca Isaacs-Niemesh – P

William Thompson– P

Steve Wagner / Financial Advisor

Wagner advised the public hearing of the Tax Budget was in accordance with the mandatory requirement and must be adopted by July 15th and delivered to Warren County by July 20, 2015 by State statute. Wagner provided a printed narrative of comments on the 2016 Tax Budget to Council and commented on the printed Tax Budget prepared by the Fiscal Officer also provided to Council. He stated it was the first step for next year's budget; information can be updated at the end of the year. Wagner stated previously certain entities had advantages in the Tax Budget and advised Warren County had a formula for distributing funds. He advised if the Tax Budget is not passed, there is a chance the Village could forfeit its local budget and provided a glimpse at this year's Tax Budget.

The Financial Advisor stated the Real Estate Tax was conservative. He advised of local funding cuts. Wagner discussed garbage collection stating Rumpke gets 95% of the funds. He stated the contract was previously reduced but rates will go up 3% next year. He addressed Mayor's Court collection, giving a history of collections. He stated the State could possibly change the rules and receipts could be lost. He advised decisions are made quickly regarding Mayor's Court. He stated previously he underestimated Mayor's Court, but this year he did not. Revenue for 2015 indicates we won't make \$80,000.

Wagner advised Council members to check their reports to be certain you are taking in more than you are spending. He advised Cable TV was good; payments are now received in quarters. Revenue increased due to money from ads, etc. Regarding Receipts, he explained when money is borrowed how it affects the budget. He referred Council to page six of the budget narrative. Wagner stated Receipts have been flat. The chart on Page 9 was used for comparison. He stated \$87,000 more may be spent in the General Fund this year. The Financial Advisor discussed the reconfiguration of how money is charged and the impact on the General Fund.

The Street Fund is not sustained by money from the State Wagner stated. He highlighted the Permissive Tax, etc. He advised a portion of CVT (5%), is received from the County for projects. He stated the Village has been spending more than receipts trying to take care of the streets; the fund balance may drop below zero. The State Highway Improvement Fund isn't sufficient; State doesn't take care of the highway. Receipts are low from Street; this money could be used to help the Street Fund. Wagner suggested pursuing State officials for funding for resurfacing money.

Wagner addressed having too many different funds; the State is now saying don't create new funds unnecessarily. He commented on the Drug, Education, Equipment funds, etc., stating revenues are probably overstated. The Fiscal Advisor stressed the Water Operating Fund; he read from page 14 of the narrative. He advised it was the largest

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fund and overhead and other items should be charged off to the Water Fund. He stated Receipts here are consistent. He stated two billings on the new rate this year will help; consumers are affected. Wagner provided an example where EPA sued and rates were raised 300%. He stated when rates go up, people will conserve. EPA compliance is required. With an older system, expense is high when things break down. Comparisons are difficult because all are not capitalized improvements.

Council was referred to the chart on page 14. Wagner pointed out expenditures exceed receipts in 2013 and 2014 by a large amount. He discussed utility costs replacing assets where Issue II Funds are used or other grant, stating a share of the cost is required by the Village. He stated the Village should score high, but won't know about grants/loans until September 2016. Wagner stated engineering would be billed in three phases; \$120K in June 2015 for equipment and engineering. The Phase I contract needed to be paid.

The Water Improvement Fund is for capital improvement Steve Wagner advised. He stated his concern; tap-ins were not enough. Capital Improvement will need to be used. The rate structure will need to include replacement of asset fund to keep the system operating. Trending is what he is looking at for budgeting. Many communities are going into fiscal stress; fund balances are dry.

Councilman Poe asked the Fiscal Officer Nichole Knell if she was working on a Capital Improvement Program. She stated she was working to make sure capital is identified. Wagner commented investment in community should be listed as capital. Vice Mayor Bryant questioned the comment, *no money to work on streets*. Wagner responded he wasn't aware the Village ever had any; he stated you are borrowing from another fund. He advised a lot of things can be paid from the General Fund. Knell stated based on Wagner's recommendation, she is utilizing smaller funds.

Police Chief Kilburn asked the Fiscal Advisor if in fact the Police stay within budget. Wagner concurred and stated safety is important. He added however, you can't keep income from tickets up. Councilman Thompson asked if there are periods where citations are high where income is low, people can't pay. The response was yes, more citations and warrants.

Adjournment

Motion by Poe to adjourn; second by Councilwoman Neal. All yea.

Nichole Knell, Fiscal Officer

Mike Erwin, Mayor