



City of Powell Finance Committee

MINUTES
October 23, 2007

Attendees: Rich Cline, Tom Counts, Dan Wiencek, Steve Lutz and Debra Miller

Call to Order

The meeting of the Finance Committee began at 7:28.

Approval of Minutes

Mr. Cline recommended that we defer the approval of the minutes until the next Finance Committee meeting since the minutes were not available to review prior to the meeting. There was no disagreement with this recommendation.

Financial Reports for September 2007

Ms. Miller briefly discussed the revenues of the general fund. She highlighted that the income tax collection is remaining consistent with the actual 2006 income tax collections. This also remains true through the month October. While, the income tax collections are not up to budget projections the remaining sources of the general fund are making up for this anticipated shortfall.

Ms. Miller handed out the third quarter investment report to the committee members. A question was raised about the top 25 income tax payers and understanding the percentage to actual collection.

A question was raised on the status and use of the third party collection. Ms. Miller stated that we currently have not turned over any income tax claims yet but are anticipating that to occur in the near future. We have turned over some minor permit collections and a claim for over \$88,000 on sewer tap fees. This appears to be going well and we are looking at collection of these by the end of the year.

Discussion on Tax Projects

RITA has given us the multi-page report to document the projected income tax collections if the City changes the income tax rate or credit. Mr. Counts stated that he had found the report very useful in understanding their projections and had only one follow-up question for RITA. Are the withholding people double counted in the account totals? Ms. Miller is working to get this answered from RITA. Another request is to get a spreadsheet with the tax rate and credit of 2.0% and 1.5%, respectively. Mr. Counts did a draft spreadsheet of this tax rate and credit and handed out to the committee.

The committee members talked about the timetable on bringing this information to City Council. Ms. Miller stated she had requested the millage information from Delaware County Auditor's office and their deadline to respond was December 4th in time for the December finance committee meeting. The committee discussed bringing the topic forward in January after the holidays.

Ms. Miller briefly updated the committee on the data dump project. Copies of the screens were given to show the work that has been completed. Final product delivery is anticipated on Thursday with the first part of the Access training. The second part of training should be in mid-November and then final segment in December. Reports should be available in December along with view of the program. The committee discussed a recent article in the newspaper about Worthington and the use of tax information for economic development projects.

Ms. Miller reviewed the 2007 subpoena program. The tax project which looks at the 2006 tax subpoena program non-respondents will now be able to get underway since the list of 2007 tax subpoena program non-respondents is now available. Ms. Miller will be bringing forth information on people who did not respond for both years to find out what direction the committee would like to go with these non-respondents.

2008 Proposed Budget

The 2008 fee schedule revisions were reviewed. The committee asked for the wildlife carcass to be removed from the schedule. This will be a new service the City will do for the taxpayers at this time. The other few changes remained as recommended.

Mr. Lutz began the review of the 2008 proposed budget by beginning with the budget message. A few grammar, spelling and additional typed words were identified to be corrected in the message.

The budget message discussed the estimated year-end revenue numbers for 2007 and the budgeted 2008 revenue numbers. There was concern about the 7.5% increase in the budgeted income tax revenues for 2008 since the 2007 collection was lagging. Some new reports were asked for to bring to the second budget meeting on this subject.

The various, new positions requested by the departments and what has been proposed were discussed by the committee. Mr. Wienczek suggested at looking at a volunteer for the part-time zoning since he had heard it had worked successfully at another City. Mr. Lutz said the City and other various entities have a hard time finding volunteers in our community. There is actually a volunteer fair going to be held on Monday, October 29th at the City chambers to hopefully find additional volunteers for various entities including the City. Another suggestion was looking at eliminating transcribing of minutes and just leave as audio.

Mr. Lutz reviewed the contingencies, no transfer to capital improvements and the general fund reserve. No changes were recommended in these areas. Each department was briefly discussed and their requests.

The Development Department has the funding for the Historic Downtown Powell, Inc. There is a different recommendation from the HDP Inc request versus what has been proposed. The committee asked for HDP Inc to submit justification on the higher request by the next meeting. Also, the committee discussed that if they went with the higher request then all the other items the City was paying HDP Inc to participate in should be a "given" as part of the funding the City is doing.

The IT Department's proposed laptop project was discussed and the rationale of buying three in 2008 and three in 2009. It would mean that all the laptops would continue to need to be replaced all at the same time.

The Land and Buildings request for a fence around the splash pad that was not proposed was discussed. Other means of communicating this problem of using the parking lot of companies instead of public lots will be used first.

Ms. Miller briefly brought attention to several new or improved areas of the budget including: the differences in fund balances and capital planning. A first look at the report on the General Fund Comparative History was done. Mr. Counts asked that the % of Change 2007 Budget to 2008 Budget column be changed to % of Change 2007 Estimated to 2008 Budget column.

A discussion on budget estimations and projections was done by the committee. One of the reports the committee would like to see is looking historically at what was budgeted to what was spent on a several year basis to review budget estimations techniques. A change the committee would like to look at for the 2009 budget is bringing the contingency line item down to the department levels, too. This would mean tighter line-item budgeting but still allow for movement within the budget with the use of the contingency line.

Adjournment

We adjourned at 9:56 p.m. and the next scheduled finance committee meeting is Tuesday, November 13th.