

FINANCE COMMITTEE MEETING

December 22, 2022 @ 5:00 p.m.

Members present: Joette Dedden, Connie Miller

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

Guests Present: Chris Colvin, Earl Isaacs, Brian Blankenship, Debbie Worthington, Ron James, Chris James,

1) Mrs. Miller made a motion to excuse Mr. Lauffer and Ms. Dedden seconded the motion.

2 Yeas

2) Mrs. Miller made a motion to approve the Finance Committee minutes for October 20th, 2022 and was seconded by Ms. Dedden.

2 Yeas

3) The Committee went over the reports provided by Ms. Crockett and had a few payment questions for Ms. Crockett. Ms. Crockett stated the payment to Cargill was for road salt and the payment to Utility Sales was for the new card reader at the bulk water station.

4) Ms. Crockett informed the committee on several issues.

a) The Police Levy is getting low, and Council may have to consider increasing the levy sometime in the future.

b) Moved money to the HRA due to higher-than-normal expenditures compared to past years.

c) The final payroll and bonuses for 2022 have been paid.

5) At this time the Committee discussed Wayne Local Schools owing withholding penalties for paying Waynesville income tax late. Staff provided the Committee and guests with information collected from RITA and the school concerning policies and payment dates. Mr. James, former treasurer of Wayne Local Schools, wrote a letter to Ms. Crockett asking for an abatement of the interest and penalties incurred. Ms. Dedden read 9(E) from the Village's income tax policy adopted by Council concerning the process of abatements. The Committee agreed that it would be best for the Finance Director to gather all the facts, speak with the auditor and Law Director, and then present her professional opinion to the Finance Committee Council on how she suggests proceeding at the next Finance meeting. Once this happens, the Committee will present Ms. Crockett's recommendation to Council and they can vote on the request for an abatement.

a) Mr. James stated that he was not aware of RITA taxes being paid late until he received a call from the new treasurer, Al Porter, about a statement he received from RITA. Mr. James stated that he did not receive a call or any form of communication from RITA about taxes being paid late. He said there was no excuse for this, but he felt that RITA should have contacted him. He also said that his staff was reduced from 2 ½ people to 1, which

was okay until he was put in charge of construction and was dealing with serious health issues. He added that the accounting system the school uses did not flag RITA as not being paid, so he was not able to ensure the person in charge of payroll was doing their job. He claimed he asked, and she had ensured him that everything was paid and up to date. He added that he feels like all the audits were “hit jobs” aimed at him.

- b) Ms. Crockett asked if the special audit was still going on and if there is a draft of the audit she could review. Mr. James stated he does not have a draft as it would be sent to the school. Ms. Crockett asked if this was a finding for recovery. Mr. James stated that this was not caught in the audit, and he is not sure what will happen if this is not abated. Either the school, Becca, the former employee in charge of payroll, or himself will be responsible for paying it. Mr. James said that when he asked Becca about the RITA taxes, she claimed to have paid them maybe 5 days late. However, this is not accurate as further information has come to light, that the RITA payroll taxes were paid months late. Mr. James stated that if it is not abated then it will most likely become a finding for recovery. He further stated that the late payments were not done maliciously or intentionally, had he known he would have rectified the issue immediately.
 - c) Mrs. Miller stated that Council needs to consider a whole Village of taxpayers and that all need to be treated fairly. She further added that the penalties are set by the state and ORC. She agrees 50% is a huge penalty but this was not set by the Village. Ms. Dedden said the Committee is dealing with the facts and the facts only. There is no judgment.
 - d) Ms. Morley stated she has spoken with RITA and they said they had sent out quarterly statements and letters informing the school of penalties incurred and RITA income taxes not paid. The taxes were not paid a couple of days late, but months late. January 2022 was paid in September 2022. Mr. James cannot explain why that happened. He asked and was assured that all payroll taxes were paid.
 - e) Ms. Dedden asked what checks and balances are in place at the school to ensure everyone is doing their job. She added that she feels the school board is ultimately responsible just as if there were to be a finding at the Village, Council should be held accountable.
 - f) Ms. Dedden stated that the Committee has heard Mr. James and will take this into consideration when deliberating. The next step will be to give Ms. Crockett time to investigate and gather information, consult with the Village’s law director, and then make her recommendation to the Finance Committee. Once the Committee hears Ms. Crockett’s recommendation, the committee will take the recommendation to Council for a vote.
- 6) Mrs. Miller made a motion to adjourn at 5:45 PM and all were in favor.