

**Village of Waynesville
Council Meeting Minutes
February 21, 2023 at 7:00 pm**

Present: Mr. Brian Blankenship
Mr. Chris Colvin
Ms. Joette Dedden
Mr. Zack Gallagher
Mayor Earl Isaacs
Mr. Troy Lauffer
Mrs. Connie Miller

Village Staff Present: Jeff Forbes, Law Director; Chief Gary Copeland, Village Manager and Safety Director; Jamie Morley, Clerk of Council

CLERK’S NOTE- This is a summary of the Village Council Meeting held on Tuesday, February 21, 2023.

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Mayor Isaacs called the meeting to order at 7:00 p.m.

Roll Call – 7 present

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Mayor Acknowledgements

Last Wednesday, attended the Warren County Municipal League. Shannon Jones, Warren County Commissioner, spoke about how Warren County unemployment is very low at 2%. She is looking at ways to help provide affordable childcare for residents, who currently do not work because of the high cost.

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Disposition of Previous Minutes

Mr. Blankenship made a motion to approve the minutes as written for the Council meeting on February 6, 2023, and Mr. Colvin seconded the motion.

Motion – Blankenship
Second – Colvin

Roll Call – 7 yeas

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Public Recognition/Visitor’s Comments

Warren Sheehan, 469 North Street, commented on the minutes of the last Council Meeting, where it was proposed to remove the Waynesville-Corwin low-head dam because it was responsible for the vanishing of freshwater mollusks. He claimed that his father farmed the land between the Little Miami River and the Mill Race and there were lots of mussel shells. But sometime in the 1950’s the number of shells lessened. He did not think the dam had anything to do with the mollusks disappearing as the dam had been in place for over a hundred years before the mollusks disappeared. He feels there was another reason for this other than the dam.

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Old Business

None

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Reports

Finance

The Finance Committee meeting scheduled for Thursday, February 23, 2023 at 5:00 p.m. is canceled as the Finance Director is on vacation. The next meeting will be on March 23, 2023 at 5:00 p.m. and all are invited.

Public Works Report

Public Works will meet on March 6, 2023 at 6:00 p.m. Anyone who has concerns or questions about the infrastructure of the Village is more than welcome to attend.

Special Committee Reports

The Parks and Rec Board will meet on March 20, 2023 at 6:00 p.m.

Village Manager Report

- The Street Department has done some pre-spring cleaning at the government building. They have painted several offices including the lobby and replaced stained ceiling tiles.
- The Water Department has inventoried all water parts, organized them, and restocked them. They also cleaned out the emergency response trailer and made sure it was stocked and ready to go.

- Brian Keith cleaned out the fenced-in wellheads from all overgrowth and weeds.
- The new paint machine has been delivered and the Street Department will be out painting curbs this spring. This machine can also paint crosswalks and parking lines.
- Portable stairs have been ordered to access a wasted space in the maintenance barn. This will be used as storage. The Street Department has built walls to keep the area contained.
- Brian Keith finished installing diamond-cut aluminum around the water distribution station to help protect the brickwork.
- The Street Department took the hot box out last week and got a head start filling potholes.
- Mayor Isaacs, Ms. Dedden, and Mr. Blankenship along with myself attended a very informative cybersecurity seminar. Met with Nimbus3 and they provided a quote to inspect our system and make suggestions to improve the Village's cybersecurity threat level. The quote is \$2400 for 8 hours.
- Brian Keith and I attended the Ohio River Basin listening session at Caesar's Creek. The meeting was to discuss water issues and the future of this region.
- Completed the yearly US Department of Commerce/US Census Bureau for recording any jurisdictional boundary changes.

Police Report

- On February 10th, a professional team of two white males broke into McDonald's and Subway. This information was provided to neighboring police departments and found out the same group also robbed Little Caesars in Lebanon the same night. This is an active investigation.
- Lt. Bledsoe participated in a pursuit policy workshop.
- The Police Department had its CJIS audit for LEADS compliance and received a great report. The Department is good for another three years.
- Myself, Lt. Bledsoe, and Sgt Denlinger attended a Sovereign Citizen training at the Sheriff's Department. This was very informative and interesting.
- The Recycle Rally is scheduled for April 29th from 9 a.m. to 2 p.m. This will also be a Drug Take Back event.

Mr. Colvin asked if Chief Copeland wanted Council's approval for the cybersecurity audit. Chief Copeland responded that the company will probably need four hours to audit the Village and then there will be 4 hours on the books to be used as needed throughout the year. Mr. Colvin asked if the company will provide a statement of work after the evaluation. Mr. Gallagher noted

that training the staff on cybersecurity awareness is also very important. Council agreed to proceed with the cybersecurity audit.

Financial Director Report

- Will not be at the next Council meeting. Ms. Dedden has kindly agreed to take votes and roll call.

Law Report

None

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New Business

None

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Legislation

First Reading of Ordinances and Resolutions

None

Second Reading of Ordinances and Resolutions

Ordinance No. 2023-010

An Ordinance Authorizing A One-Time Partial Abatement Of Income Tax Penalties For Wayne Local School District

Mayor Isaacs made a motion to amend Section 1 of Ordinance 2023-010, to remove 15% and make it 0%. Mr. Blankenship seconded the motion.

Motion – Isaacs
Second – Blankenship

Mr. Colvin stated that the ordinance does not have any timeline associated with it, but his understanding was that the request for abatement was only for penalties through June 2022. He said that he believes there will be more penalties. Mr. Colvin asked Mr. Forbes if the ordinance should reference a specific time period. Mr. Forbes said that would have to be another amendment but would be an appropriate amendment. Mr. Colvin asked if the amounts should be taken out also. Mr. Forbes said that that also would be another appropriate amendment for Council to consider. Mr. Colvin surmised that without the dollar amounts, RITA would have the responsibility to figure out the specific amounts based on the percentage.

Mr. Colvin asked Mr. Forbes about a statement made by Ms. Crockett at the last meeting suggesting that because the school is a public entity, a finding would not go against the school but against the treasurer because as a state entity, they cannot pay penalties or interest. Mr. Forbes stated that Council cannot speculate what a finding for recovery would entail as this is between the school and the auditor and Council does not have a role in that. Mr. Forbes said that Council should not be considering who is responsible when considering the abatement.

Ms. Dedden said she was in total disagreement with the proposed amendment to reduce the penalties to 0%. She believes the people of the Village deserve better. She believes that it is not fair to the working-class residents to completely waive penalties for the school for not paying local income taxes on time for months. She strongly believes they should have to pay the penalties.

Mrs. Miller also spoke against completely waiving the penalties. She stated that the school took employees' money and did not pay the taxes. School employees thought their taxes had been paid on their behalf. She also stated that this would set a dangerous precedence.

Mayor Isaacs stated that the penalties were because the treasurer did not get the mail on time and was four days late paying the bill. He believes that one person should not be held responsible especially as that individual was in and out of the hospital. He does not feel that one person should be hung out to dry for the inept duties of the school board.

Ms. Dedden and Mrs. Miller stated that it is not decided who will be responsible for paying the penalties. It is up to the auditor to decide that and RITA to collect the money.

Ms. Dedden stated that Council did not do this to the school or to one individual. The school paid the income taxes late for months. She further stated that the treasurer, payroll clerk, and school board are all responsible for letting this happen. Mr. Blankenship stated that all the bills that have been paid are now up to date. Ms. Dedden said that the school still owes the penalties. She said the school collected the money from its employees and held onto it for months. Ms. Dedden then outlined the payment due dates and when the taxes were actually paid. January was due on February 15 and was paid on September 28. February was due March 15 and was paid on September 28. March was due on April 15 and was paid on September 28. April was due May 15 and was paid on October 13. May was due June 15 and was paid on October 13. June was due on July 15 and was paid on October 28. July was due on August 15 and was paid on November 8. August was due September 15 and was paid on November 8. September was due on October 15 and was paid on November 8. Ms. Dedden wondered how that was being responsible and how did it happen month after month. She then asked if someone is off ill, why did the board not find someone to fill in for him? Mayor Isaacs stated that Mr. James has done so much for the Village. Ms. Dedden said she felt the Mayor has personal feelings involved and should consider recusing himself from the vote.

At this time, Al Porter, interim treasurer for Wayne Local Schools, spoke to Council. He said he did some research and found the school only pays three entities through RITA; Waynesville, Fairborn, and Xenia. By his estimation, Waynesville receives approximately 93% of the taxes withheld each month paid to RITA. He also assured Council that all the RITA bills have been paid and are up to date. He stated that he was under the impression that the ordinance was for an

abatement of all the penalties for 2022. Ms. Dedden responded that the original letter from Mr. James only requested an abatement on penalties through June 2022. Mr. Porter said he has been directed by the board to pay the penalties and interest and then let the auditors sort it out. Mr. Porter said that RITA claims the interest cannot be waived, the Village can only waive the penalties. Mr. Forbes stated that was correct. There is no process to waive or reduce interest, Council can only consider penalties that the state sets at 50%.

Mrs. Miller asked for clarification because earlier Mr. Forbes stated public entities are not allowed to pay penalties and interest, but Mr. Porter just said he was going to pay them. Mr. Forbes said she was correct. The school will pay the penalties but when the school is audited, it is up to the auditor to decide if it was an improper expenditure and then determine who is responsible for the payment of the penalties and interest. Mr. Forbes again reminded Council that it is not for Council to consider who is responsible for the repayment, that is between the school and the auditor. Mrs. Miller asked if it is unsure then who would be responsible. Mr. Forbes stated he is not familiar with school districts and their operations. He stated that as far as Villages go, there are individuals that are required to be bonded in the event of a finding for recovery. Then it is between the person that the finding was against and the bonding company. Mayor Isaacs asked if the treasurer is bonded. Mr. Porter stated that he is required to be bonded. He pointed out that the bond is not an insurance policy but is in place to protect the entity, not the individual.

Mr. Colvin asked Mr. Porter if the school disputes when the payments were made to RITA because as Ms. Dedden pointed out, the payments were made 7, 6, and 5 months late. Mr. Porter stated the dates match. Mr. Colvin stressed that payments were made months late not a few days. Mrs. Miller thanked Mr. Porter for his contribution.

Mr. Lauffer stated that he does not believe there was any maliciousness in not paying the local income taxes. Mr. Porter asked why no one in the Village noticed. Ms. Dedden stated that the Village hired RITA to collect the income taxes and that is their job. Mr. Porter asked if there had been any changes to the income tax and if that would explain why the payments were not made. It was stated that the Village increased the income tax from .5% to .75% starting 1 January 2021. So this would not have any influence on why the payments were late.

At this time, Chuck Dedden, 1232 Anthony Trace, approached the dais. He stated that he is not happy with the consideration to reduce the penalty from 50% to 15% and is even unhappier that Council is considering decreasing it to 0%. He stated he felt like this was the good old boys club returning to Waynesville and letting a friend off. He said that he has owned a business before and struggled to pay the taxes, but he had to pay the penalties if he was late. He feels that if Council were to let certain people get by without paying the penalties, it is setting precedence and sending a message to the residents. He also stated he feels the school not paying the income taxes on time is pure irresponsibility. There should be checks and balances to ensure this does not happen. Mr. Dedden added he feels if Council allows the school to pay penalties below 20%, it is doing a disservice to the residents of the Village.

Danny McCloud, 595 Old Stage, said he appreciated the opinions and responses. He stated he has been on the Wayne Local School Board for 18 years and believes that a strong partnership between the school and the Village is important. He admitted that the school failed and is taking

steps to get back on the right track, but they are getting there. He also said he had no idea how many months the school was past due on paying the income taxes. He said the school is financially stable and has a balance of 16 million and is fiscally strong. Mr. McCloud wanted to stress that the school was never in the position to not be able to pay the bills. It was just a bad situation and bills were not being received. He would appreciate it if Council would approve a zero percent penalty.

Mr. Lauffer asked if the school has ever been late on anything else. Ms. Morley stated that with the days of electronic filing, RITA does not send a bill to the school. She said that at the end of each month, payroll software will print reports telling how much needs to be sent for federal, state, retirement, and local income taxes. It is as simple as the payroll person getting online, logging into the appropriate site, and sending the money. The late local income taxes are not the case for a bill not being delivered. Mr. Lauffer added that he does not think it was malicious wrongdoing, just the school did not have checks and balances. He also asked who would receive the money from the penalties. It was answered the Village would receive 93%.

Mr. Lauffer added that with such a small community, Council members are going to know most people. He does not think, just because the Mayor is an acquaintance of Mr. James, he should abstain. That would make things very hard for a tight-knit community.

Roll Call – 2 yeas (Isaacs, Blankenship)
4 nays (Lauffer, Miller, Colvin, Dedden)
1 abstain (Gallagher)

Mr. Colvin made a motion to amend Ordinance 2023-010 for section 1 to read “That the penalty shall be reduced from a 50% penalty to a 15% penalty for the time period of December 2019 to June 2022, consistent with the recommendation of the Finance Director” and Mrs. Miller seconded the motion.

Motion – Colvin
Second – Miller

Roll Call – 6 yeas (Miller, Blankenship, Colvin, Dedden, Isaacs, Lauffer)
1 abstain (Gallagher)

Mrs. Miller made a motion to adopt 2023-010 as amended and Mr. Lauffer seconded the motion.

Motion – Miller
Second – Lauffer

Roll Call – 4 yeas (Blankenship, Colvin, Isaacs, Lauffer)
2 nays (Dedden, Miller)
1 abstain (Gallagher)

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Tabled Ordinances and Resolutions

None

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Executive Session

None

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Mr. Colvin asked since the Finance meeting was canceled if there was enough time to consider the recent information received from the Auditor's office on the Police Levy. Ms. Dedden responded that Council has until July/August to be able to put issues on the ballot.

All were in favor to adjourn at 8:20 pm.

Date: _____

Jamie Morley, Clerk of Council