



City of Powell Finance Committee

MINUTES August 14, 2018

Attendees:

Tom Counts, Dan Swartwout, Frank Bertone, Brendon Newcomb, Jeffrey Gardiner, Simon Barlow, Steve Lutz, Debra Miller, Jessica Marquez, Jeff Snyder, Megan Canavan and representative from Brookehill Condo HOA.

Call to Order

Approximately 7:00 p.m.

Approval of Minutes

Minutes were approved as submitted.

Adventure Park Barn Condition

Mr. Snyder went over the history and condition of the Adventure Park Barn – it dates back to the late 1800's; has had multiple extensions added to it; was condemned in 2014 and again in 2018. When it was condemned in 2014, the City had to begin renting storage unit space which costs the City annually around \$5,000.

Mr. Lutz stated that the handout listed that the various options available to the City. Both Mr. Lutz and Mr. Snyder stated that the condition of the barn is now an attractive nuisance and the potential liability the City may have if nothing is done.

The Finance Committee members discussed the barn including what kind of storage it was used for, the attractive nuisance issue and what would go there if it was demolished. Also, the Brookehill Condo HOA representative talked about the number of condos who looked at the barn and the various scenarios the association surveyed their residents on how to remedy the barn condition.

The committee asked if anyone might be interested in buying the barn wood and Mr. Snyder stated that they had looked at that option but there isn't enough good barn wood left in the building. He also stated that the barn didn't have any historical value as researched by one of our residents.

The committee went through each scenario in price order – the consensus was the cost was too high for many of the options with the other maintenance needs that are out there. The committee settled on option #1 – demolish.

Financial Reports for July 2018

Ms. Miller stated that expenditures were coming in on target – maybe even a little low. Revenues were also on target with the cash flow showing that the City was in the red. Ms. Miller and Ms. Marquez updated the committee on the August income tax collection which was down again to only being up .03% over the previous year. Ms. Miller stated that the City would be using some of the cash flow excess but she anticipated the City will still end up with a nice increase in the fund balance.

The Committee asked about the TIF collections and how that will assist the City in determining a long-term debt solution for the Seldom Seen note.

Pre-2016 Tax Code - Updating

Ms. Miller asked Mr. Counts to give the background of the two City of Powell Tax Appeal cases. Mr. Counts and Mr. Swartwout discussed that this proposal was to try to tie up the loop-hole on residents versus non-residents and the statute of limitations of three-years.

The committee discussed the issue and was in agreement that it was ready to go to City Council.

Results of the Revenue Internal Control Review

Ms. Miller gave a brief history on why the internal control review was requested – retirements, new software, technology changes and years since the last review. A question from the committee asked if staff thought money was missing – and the response was no from Mr. Lutz, Ms. Miller and Ms. Marquez. Most of the findings reported were easily remedied with changes to forms or adding a line for signatures/initials.

However, the Building Department had issues that were larger than the recommendation is to realign two positions in the Building Department to set up internal control procedures that includes checks and balances. Other issues will be resolved by utilizing their Meritage software to automate duties such as: permit number issuance and receipts.

Ms. Miller stated that Mr. Lutz and her would be bringing the realigned position job descriptions and equalizing of the position to the Finance Committee in the future. Also, Ms. Miller stated that once the Building Department had implemented all the changes, their department would have a second review to make sure that all the issues had been remedied.

Ms. Miller would report back to the committee that results of that second review including if all the other departments recommendations have been implemented.

Appropriation Request(s)

The first request is from the Communication Department of \$4,500 for printing, mailing and other related expenditures for education materials related to the November 2018 ballot issue. Ms. Canavan went over the education plan which several members had clarifying points and questions. After the review, the item will move forward to the next City Council meeting. *Note: after the meeting, sent out an email to the Council members that staff would be trying to fund this need from existing appropriations so the item wouldn't be going to City Council.*

Ms. Miller handed out a spreadsheet regarding the Seldom Seen Park Funding Analysis. She went over the funding options that were determined in 2017 for this project and the related construction contracts. Mr. Lutz explained that the project is continuing to be on budget and on-time. Ms. Miller showed that the City purposefully did not appropriate all the funding until the contract amounts were known. Now that the amounts are known, staff is requesting

additional appropriations of \$200,000 from a multiple of sources. It is the intent to spend the voted bond issue funds first.

Other Business

No other business was noted.

Adjournment at 8:20 pm