

FINANCE MEETING MINUTES
December 17, 2012

Call to Order: 6:30 P.M.

Roll Call: Paul Janson, Ben Prescott, Bill Zoller,

Others: Clerk-Treasurer Jenny August, Mayor Linda Clark, Councilman Giles Seith

Citizens: None

Approve Minutes-

Motion to approve the minutes by Ben Prescott, seconded by Bill Zoller. All ayes on vote.

Financial Reports:

- Jenny summarized the financial reports. All funds still remain in the black. Total revenues were \$198,394. Total expenses for November were \$263,982. There were no adjustments on the cash summary report. The water & sewer programs matched the UAN. The Income tax programs also matched the UAN. The bank reconciliation went well with no adjusting factors. The Budgetary Receipt report tells us that we have met most of our revenue goals. As of Dec. 1st, we are within \$10,000 of meeting our expectations. The Disbursed (spent) versus appropriated report shows that nearly all of our appropriations have been spent or are tied up on purchase orders. There is very little unencumbered. Council approved payments on checks 39744 through 39825.
- Linda asked what our carryovers will be in the General Fund. Jenny said she wouldn't know until after bills are paid. Linda asked for a guestimate. Jenny said maybe \$40,000, but she just isn't sure.
- Bill asked about the Cuyahoga Landmark expense. Jenny said she thought it was diesel fuel for the generators. He also questioned the Mantua Hardware expense and if it was for the Sterling. Paul said it was for the Sterling. Bill asked about the Diversified Maintenance expense. Ben said it was for the VFD at the sewer plant.

Ben moved to forward the financial reports to Council. Bill seconded. All ayes on vote.

Bills of Resolution:

- Paul wondered about the two 40 yard dumpsters. Is that what we expected? Linda said it is charged by weight.
- Paul asked about the Industrial bill for the Cemetery. Is the additional PO that he just signed for leaf cleanup included in the invoice? Jenny said yes, but the PO was only for mowing, which is why we have to do another PO. Linda was surprised about how many times they mowed this fall. Jenny suggested that maybe after September 1st it could be "as needed" or "on call" and only the areas Anthony asks them to mow.
- Paul reviewed the purchase orders that were submitted after Dec. 1st for approval. One was for Industrial landscaping, which was just discussed. Another was for Biosolution's for getting the water plant meters calibrated. Jenny said it was likely that Lisa was not made aware that this was being done and did not know to send a purchase requisition. The third one was for Linda Clark's mileage reimbursement for the fourth quarter of 2012.

Motion to move the Bills of Resolution to Council by Ben, seconded by Bill. All ayes on vote.

Legislation:

Paul reviewed the legislation to be discussed at the next Council meeting;

- **2012-28-** Sidewalk grant. This was tabled on 3rd reading.
- **2012-60** This is also tabled. Linda said the survey has not been done yet
- **2012-71** Amending Chapter 139. This is creating part time police officer positions as well as Auxiliary positions.

- **2012-72** This is establishing current pay scales for Village employees. Jenny said this is being done to add the position of part time officer.
- **2012-73** This is for current employee wages. This is being done because Lisa has passed probation and is considered permanent full time with a \$1.00 per hour raise retroactive to Dec. 1st which was when her probationary period was up.
- **2012-74** This one is just adding part time offers to the uniform allowance policy.
- **2012-75** Jenny explained that this is reducing the December transfer from Sewer Operating to Sewer Debt down from \$25,555 to \$15,000. This is necessary because it is very possible that the Sewer Fund will go into the red by year end, or the first two weeks of 2013. Linda felt we need to clarify that it is only for one month, December, and not all future transfers. Jenny said it does say that in section 1, but we can amend it at the meeting.
- **2012-76** This is to establish a fee for setting up an awning for cremation burials at the Cemetery.
- **2012-77** We need to have work done on well #2 and Ohio Drilling is willing to set up a monthly payment plan with the Village. The pump is currently inoperable. Paul noted that they are not charging us interest.
- **2012-78** Jenny said these are the monthly transfers that we put in place for the debt payments in the water & sewer funds.
- **2012-79** This is the Council meeting schedule for 2013.

Other Discussion:

Permanent Employment for Lisa Davis:

This was discussed with 2012-73. Lisa Davis has completed her probationary period and Anthony would like to make her a permanent employee with a pay rate of \$11.00 per hour. The pay increase will be retroactive to Dec. 4th.

Mutual Aid:

Some of the communities involved are Streetsboro, Aurora, Ravenna, Kent, Garrettsville and Twinsburg. Linda said we would have a contract with each community that we are sharing with. Kent & Ravenna purchased a machine to make their own asphalt. We could rent that machine from them. If the only thing we have to share is manpower, then that is considered mutual aid. Linda will bring it up at Council under New Business.

Uniform Allowance:

Jenny distributed a handout that she made regarding uniform allowance. There has been discussion of possibly just making it a fringe benefit in which each employee would get a check once a year and the department heads would have to ensure everyone is dressing presentable. The first column says that if we did that, it would cost us \$6,600 per year. The other columns represent prior years, and the average is around \$3,500 because many people don't use it. Paul said it makes sense to leave it like it is. Ben agreed.

Jenny wanted to go on record saying that even though it is a management issue, she has concerns about how it is being spent. For example, Harry was planning on using his uniform allowance to buy a laptop. At this time Linda asked to interrupt, and then she said when Harry came to her and said he hadn't used his clothing allowance. Linda read in the handbook that it says "Uniform or Equipment", and she looked at it as equipment. Linda said there are dispatchers that are buying \$150 boots and are sitting on their keester every day, or gloves for \$60-70. The laptop was going to be used at home and was quite a bit more than \$400.00. Jenny said she believes that the State may disagree with our handbook and she can't speak on their behalf, but it may come up in the audit. Paul said once it was stated that it was to be used at his home, he thought it was a no-no. Bill said he can see him taking it home to use it if it was used for here.

Jenny said on the next page is a copy of our receipt from Hartville Hardware. She asked Lisa to identify who each item is for so we can properly charge their individual clothing allowance sheet. Anthony has ordered everything from a size medium to a 4X. The auditor said it is her job to be a watchdog of the Village funds, and she doesn't think people should be doing their Christmas shopping on Village funds. Linda said Jenny shouldn't imply that anyone is Christmas shopping with Village funds. Jenny said she feels that the clothing allowance is not an entitlement. It should be available so that our employees can be in the uniforms that we require them to wear. It should not be looked at as a bonus. We have people buying expensive boots that are not for work. If we want to give bonuses, it would have to be done a different way. What about the employees like Lisa and Sue that aren't required to wear a uniform and don't have the option of buying things like that. Paul and Bill agreed that there are a lot of different sizes. Linda said she would have him explain it at Service.

Unused Appropriations:

Jenny said at one time it was being discussed that unused appropriations would be carried over as an incentive for Department Heads to watch their spending. Appropriations do not carry over, they are not cash. Jenny had a spreadsheet that shows which funds would have gone into the red if we had done that. The appropriations are just a guess of what we think can be spent. The cash in the fund carries over. Linda said it was discussed at Service and Safety. She asked if the General Fund ends the year with a surplus, for example Jenny thinks there could be \$40,000 of rollover money in General Fund at the end of the year, can we transfer an amount into Capital Improvement. Linda said we wouldn't want to deplete the General Fund. Paul said he thought we are doing that for the St. Gobain agreement. Ben said if you start taking money out of General Fund it will be spent. He encouraged everyone to talk to the Auditor about it when he comes. Jenny said if you take money out of the General Fund to build capital funds, and something goes wrong, you can't put the money back in General Fund without going to court. If you leave it in General Fund, and don't appropriate it, it would be available when a project comes up. Paul and Ben said that makes sense. Linda said it deserves more discussion.

New or Other Business:

- Linda said we received a letter from Bintree Condominiums regarding their license. She was asked to write a letter offering them an option of tapping in to our sewer lines. She has a draft prepared that is in the Council packets. She let them know we are open for discussion.
- Bill asked about the Police Department e-mailing the monthly report rather than printing them all out. It would save some paper.
- Linda wanted to discuss purchase order procedures. She wants the Finance Committee to consider procedures or guidelines relating to purchase orders. For example, if there is a question on a purchase requisition, should Jenny go to the Department Head instead of calling the vender? Even though she is within her rights to call a vender, but if we can work it out with the department heads it may run more smoothly so we don't have eruptions in her office like she had last month. Bill said it should be a chain of command. Jenny should not have gotten involved in that. If there is a problem, she should go back to the Department Heads since they approve the purchase requisitions. Jenny explained that since the requisition came in on the last day, she contacted the vender to let them know that we close purchase orders at the end of the year, and Council would need to approve the payment at the December meeting, and that they could fax the bill rather than mail it if it is near the deadline. Paul said he considered my call to be a courtesy call. The vender said he has not done the work yet, and he is busy next week, but the following week he would like to do the work if the officer was available. Jenny said she later saw Kenny in the hallway and passed that information along to him. She was trying to help the flow and it all erupted. Paul said it sounds like miscommunication. Linda said Kenny took the attitude that she had no business calling. Jenny said as the accounts payable office, she contacts venders regularly for various reasons.

Discussion led to purchase orders closing at the end of the year. Jenny said there is not legislation saying purchase orders have to close, but Council agreed to not carry over purchase orders as one of the procedures the Village established to get out of Fiscal Watch. The Department Heads used to tie up thousands of dollars on purchase orders at the end of the year, which gave them extra money to spend the next year that is not in their appropriations. This contributed to the Village going into the red. Paul said it makes sense. Giles said most government agencies stop spending money on Dec. 1st so purchase orders don't run over in the next year.

- Linda wanted to express her concerns about the security of the Clerk's office. She said Jenny needed a private office for income tax reasons, yet she goes downstairs and finds Jenny's office is open. If Jenny is not here, that office door should be locked. Jenny said Sue locks it when she leaves. Paul asked if Sue has legal access to the records. Linda said no, Jenny said there is a resolution that says Sue can do anything that Jenny does. Jenny said she always helped Betsy. In Hiram, the Assistant Clerk does all of the Income Tax. Linda said maybe the portion of Jenny's wages that was paid the previous tax person that was incorporated into Jenny's wages should be paid to Sue then. Jenny said the main office should be locked. There is often cash in there. People all have mailbox keys and don't need to be in the office. Paul said we need to just lock the door at the hallway. Jenny said Sue is not going to let anyone in the inside office anyway. Linda said she thinks the inside office needs to be locked as well. Paul said it doesn't matter as long as the outside door is locked. Jenny said starting tomorrow the main door will be locked.
- Linda wanted to talk about discussions with the Auditor and what is appropriate to put in e-mails. She does not think it is right to put personal commentary in an e-mail to the Auditor. Paul said an e-mail is a public record, and to save personal comments for phone calls or when he is there in person. Jenny said she would try to be more careful.

Citizens:

No citizens.

Motion to adjourn at 7:54 by Paul Janson, seconded by Ben Prescott. All ayes on vote.

Paul Janson, Chair of Finance Committee

Jenny August, Clerk-Treasurer