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**MINUTES OF SYMMES TOWNSHIP FINANCE & AUDIT COMMISSION**  
**REGULAR MEETING**  
**AUGUST 1, 2019**  
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The meeting was called to order at 6:02 p.m. Members of the Committee present were: Rik Vonderhaar, Mike Tranter, Joe Grossi and Pete Sayles.

Also present: Administrator - Mrs. Kim Lapensee, Township Trustees – Ms. Jodie Leis, Mr. Philip Beck and Mr. Ken Bryant.

Mrs. Lapensee asked if anyone needs an explanation of the budget. She stated that she does not have the notes that Ms. Sims has, but she can try and explain it the best she can.

Mr. Vonderhaar asked why there has been so little money spent on salaries in 2019 when the budgeted amount is over \$200,000.00 and other salary line items throughout the report. Mrs. Lapensee stated that Ms. Sims has not entered any salary information into OTAS for the year. Mr. Vonderhaar asked why. Ms. Leis stated that Ms. Sims is an elected official and we try to get everything up to date, but they can't control what she does. Mr. Vonderhaar asked if they have State Auditors. Ms. Leis stated yes, and they have asked for a special audit. Mr. Bryant stated that they get audited every two years and it took almost two years to get the results from the 2015 – 2016 audit. Mr. Bryant stated that he thought they were already finished with our audit in April or May but found out today that they are still finalizing the audit and asking questions. He stated that he was upset that they still aren't done. Ms. Leis stated that they have the State auditing our books this time. Mr. Bryant stated that they have been all over them trying to get answers. Mr. Grossi stated that he was told by the State Auditor's Office that if he could not get the answers, he was looking for that maybe he should hire his own attorney. Mr. Grossi stated that he told them he should not have to hire an attorney to get information that he has already paid for with his tax dollars. Mr. Vonderhaar also asked about why there is no money spent out of the police fund to pay for the contract. Mr. Bryant stated that the Sheriff's office is always behind on sending out bills. Mrs. Lapensee stated that by June, we had only received the one bill for January, and we had just received February, March, April and May in past week or so. Mr. Vonderhaar pointed out that nothing has still been entered as of the first of July (20-A-07B).

Mr. Bryant stated that the way we budget, the police and fire expenses are sometimes taken out of two or three funds to make up the total. Mr. Bryant always asks for a summary page. Mr. Vonderhaar stated that these zero amounts jump off the page. Mr. Sayles asked what a warrant means. Mr. Bryant stated that if there is a check number, that means a warrant or check has been written and paid to that vendor. Ms. Leis stated that last September they started reviewing every check that gets written before its sent.

Mr. Sayles stated that he understands Fund Accounting but can't remember what TIF is for. Mr. Bryant stated that it stands for Tax Increment Financing and is used to pay for infrastructure and capital items that benefit the Fields Ertel Road and Montgomery Road intersection area. Mr. Bryant explained how it gets deferred and how we receive the money instead of the other agencies. He stated that we passed that TIF district back in 1991 for a 30-year period. Mr. Sayles stated that there is about 2.2 million dollars in that fund and he wondered by the largest appropriation was for Employee Retirement funds if it can only be used for capital \$295,000.00. Mrs. Lapensee stated that she does not know why it is shown in that column. Ms. Leis stated that we will ask Ms. Sims.

Mr. Tranter wanted to know why Ms. Sims is not here and was not here last week either. He stated that she has always been here and with new people on the committee, she should be here to answer questions.

Mr. Vonderhaar wanted to know why we have budgeted \$314,000 in the TIF account if we have only spent \$25,000 to date on tools and equipment. He stated that last year we budget \$119,000.00. Mr. Tranter stated that some line items help others. Mr. Grossi asked if we can believe any of these

figures. Mr. Grossi stated that in the past trustee meetings, if he asks a question, he never gets any answers.

Mr. Vonderhaar asked about Fund 7B Special Improvement District (07-A-01B). He asked why \$90,000 was budgeted and what it was for? Mr. Sayles asked if there is a listing of what each fund means? Mr. Grossi asked that we forward these questions to Ms. Sims for her to answer ahead of the next meeting.

Mr. Tranter stated that he has never seen these reports before. Mrs. Lapensee stated that we are reviewing the appropriations status sheet. She stated that these are the reports that are handed out at each meeting and she has Luanne post them on the website every month under Departments – Finance – reports.

Mr. Vonderhaar asked what the total under 20-A-01 is for and why it is so high – Improvement to Sites. Mrs. Lapensee stated that fund 20 is the Safety Services Levy and the improvement to sites typically pays for improvements to the fire station on Weekly Lane. Mr. Vonderhaar stated that \$168,000 is a lot of improvements. Mrs. Lapensee stated that we did budget this year or next year to replace the roof and it would probably cost that amount, but she is unsure of what that \$168,000 includes without her notes. He asked about the General Fund 01-K Fines and what are the fines for under the revenue side. He stated that it says we get \$4,800.00. Mrs. Lapensee stated that it would be for any tickets that we may write we get a certain amount of revenue from them. Ms. Leis stated that maybe we just have not received any yet or we only get it certain times of the year. Mr. Vonderhaar is now looking at Police District fines under 9-C. He wants to know why the number is so low. Mrs. Lapensee stated that the fines could include zoning tickets in the general fund. Mr. Vonderhaar asked who owns the safety center. Mrs. Lapensee stated that we own the building. He asked how many cars we own. Mrs. Lapensee stated that we own nine of the cars around the building. Mr. Vonderhaar asked if we receive any rent from whomever else owns the rest of the cars. Mrs. Lapensee stated that we do not receive any rent from anyone else. Mr. Vonderhaar asked why we are not sending a bill to Sycamore Township or the Sheriff since they occupy our building? Mr. Bryant stated that there are advantages to them occupying our building. Ms. Leis stated that there are always police cars driving through our township which we benefit from. Mr. Vonderhaar asked what they pay the Sheriff for their services and does that include rent? He asked why we would eat all the rent for a building someone else is using. He stated that makes no sense. Mr. Bryant stated that we are in negotiations with the Sheriff's department right now. Mr. Vonderhaar asked how long we have been in that building? Ms. Leis stated since 2006. He stated that we have been letting them live in that building rent free for 13 years and when do we negotiate contracts with the Sheriff. Mr. Bryant stated every 4 years. Mr. Vonderhaar wondered why we have gone through 2 or 3 contracts and never addressed this issue? Ms. Leis stated that Sycamore has enough room at their building to move their operation and they are only located here because it is easier for the Sheriff's Office to operate district 3 from one building. Mr. Vonderhaar suggested that we check with Loveland to see if they would charge us less money to patrol our area instead of the Sheriff.

Mr. Vonderhaar asked about our investments. He also asked about getting a comparison to last year spending vs appropriated amounts. He wants us to provide a spreadsheet comparing all those numbers.

Mr. Vonderhaar asked about employee medical insurance. He asked if we had any other quotes from other vendors to get more competitive rates. Mrs. Lapensee stated that we did shop other medical providers through our health broker. Mr. Vonderhaar asked when the last time was that we shopped our broker? Mrs. Lapensee stated that this is on our list to do this year. Mr. Bryant stated that we can shop a broker but there are only about 5 medical insurance providers to get costs from. Mr. Sayles stated that he is assuming that the general fund amount covers everyone in all the different funds. He stated that he added up the salary line items came out to about \$770,000.00 and the medical came out to \$400,000.00. He stated that this ratio was a bit high (more than 50% of our salaries). Mr. Vonderhaar asked about this last year and asked them to name a township where the health insurance is paid 100% by the township. Mrs. Lapensee stated that she believed all the townships pay 100% except Sycamore Township but she will ask them all. Mr. Vonderhaar asked if we make spouses take their own insurance if it is available through their employer. Mrs. Lapensee stated no. Ms. Leis stated that government has always been that way; the employee gets

paid less than the private sector, but the benefits are greater. Mr. Sayles asked that we benchmark against the other townships and find out their percentage of salaries to medical insurance. He stated that he does not trust the line items in this budget anymore, but he compared what he thought was labeled salaries. Mr. Vonderhaar asked what other brokers the other townships use. Mrs. Lapensee stated that she will ask. She stated that most of the larger townships are self-insured because they have more employees than we do. Mr. Tranter stated that the employees do add value and they are good employees, so we have always paid their health insurance to keep them. Ms. Leis stated that we have not lost anyone in years. Mr. Sayles stated that basic plans through Obama care are about 600 to 800 per month and our plan is around \$2,000 a month or \$25,000 per a year.

Mr. Sayles asked about the line item 1-A-26 Other Expenses and what it pays for. Mrs. Lapensee stated that it is all the other line items that do not fit into the other categories. Mr. Sayles stated that it is a big bucket to call other.

Mr. Sayles asked what the treasurer's fees are for. Mrs. Lapensee stated that those are collection fees for the auditor/treasurer collecting the money for us. She stated that we must record the total amount received and then show that fee as a line item.

Ms. Leis asked how everyone felt about eliminating all levies for each fund and just go with one general operating levy. She stated that this has been brought up in the past. Mr. Bryant stated that he feels that it would be a tough sell now. Ms. Leis stated that is what Sycamore Township does. She stated that they have a general operating levy and JEDZ money that gets distributed by the trustees. Mr. Tranter stated that most people would not vote for a general operating levy because it is not restricted. He stated that they could also roll the amounts back if the funds are not needed. Mr. Sayles stated that he would just eliminate all funds that are not needed. He stated that it would make our lives easier, but he does not think people would vote for it.

Mr. Tranter stated that we will need to talk about potential levies and Mr. Vonderhaar stated that we need to talk about investments. He stated that he would talk to Meeder investments instead of using Huntington Bank. He stated that he feels we are wasting our money going with CD's. He wondered why we did not invest our money back at the end of last year when we had the chance. Mr. Bryant stated that last year, 2.5 million dollars was moved from PNC bank over to Huntington without the Board's knowledge. Mr. Vonderhaar stated that we should not have 7.9 million in investments with Huntington and that we should invest our money with one of those investment firms. Mr. Vonderhaar asked who made the decision to move the money. Mr. Bryant stated that it was not their decision at the time, but they have changed that. They were unaware until PNC Bank called us to let us know. Mr. Tranter stated that these questions need to be answered by Ms. Sims. Mr. Vonderhaar read the report from last year where Meeder stated that they could help us increase our interest income by over \$100,000.00. He wondered why we have not done anything. Ms. Leis stated that we could not make the decision last year to invest it, but now we can. Mr. Vonderhaar stated that the Trustees could bring Meeder to the next meeting so we can get the clock ticking toward some investments. Mr. Beck suggested that we bring them to the next Finance Committee meeting.

Ms. Sayles stated that he wants to know how much cash we have available for each fund and the total. He stated that the fund balances do not add up. Mrs. Lapensee stated that the 19 million includes the escrow account.

Mrs. Lapensee stated that she will set up the next meeting and invite Meeder to come to it. The committee agreed to meet on August 15<sup>th</sup> at 6:00 p.m.

Mr. Vonderhaar asked why the estimated revenues are not always correct. Mrs. Lapensee stated that Ms. Sims underestimates revenues and overstates expenditures just in case we do not receive the money we think we may get. Mr. Vonderhaar stated that as a taxpayer, he wants to know exactly what we are getting and exactly what we are spending. He thinks we need to change that practice, so we are giving the straight answer to the public before asking for levies. Mr. Sayles asked that she show what the appropriated revenue was set at vs real revenue against the appropriated expenditures vs the real expenditures. Mr. Vonderhaar wanted to know why the revenue jumps in 2012 and again in 2019.

Mr. Vonderhaar asked about the levies that were brought up. Mrs. Lapensee stated that the levies will end at the end of 2019 with last collections in 2020 for the road levy and safety services levy. Mrs. Leis stated that the police costs will increase because the County cut the Sheriff's budget and now the Sheriff is raising the costs of the contracts to all the townships. She stated that it will raise our costs significantly and we are currently negotiating with them on the prices. Ms. Leis stated that it could potentially raise our costs \$250,000.00 the first year more than we are paying now. Mrs. Lapensee stated that just with the Safety Services levy, we pay \$840,000.00 from the police levy fund and the remainder is paid from the Safety services levy which is around \$687,000.00 for a total of \$1,527,000.00. She stated that to generate the millage necessary to pay for the police service from the police fund, we would need to put on an additional 1.1 to 1.2 mil levy which would keep the services the same as what we have now. Mr. Sayles asked if any of them would go away. Mrs. Lapensee stated that none of them would go away, this is additional millage needed to pay for the service that we currently provide. She stated that for the fire levy/safety services levy, we only bring in about \$3,000,000.00 in revenue and spend about \$3,400,000.00. She stated that we are deficit spending by \$378,000.00. She stated that if we will have a 1.7-million-dollar carryover by the end of 2020, the money will be gone in 4.5 years. She stated that we will either must shore up the police levy or increase the safety services levy so that it continues to pay for both services. Mr. Tranter asked how many mils we would have to generate to make the safety services levy whole. Mrs. Lapensee stated that we would need .6 mils. She stated that to do both, we would need 1.7 mils. Mr. Vonderhaar wanted to know what 1.1 mils generates. Mrs. Lapensee stated \$708,400.00. He wanted to know per \$100,000 in valuation. She stated that she does not know what that number will be.

Mrs. Lapensee stated that she recommends that the board act on a police/safety services levy by November because the primary election has been moved up the March which puts the filing deadline at the beginning of December.

Mrs. Lapensee stated that we also have a road levy that will expire in 2019 and we will need to replace that and possibly increase it to include new sidewalk construction. She stated that the current levy is .9 mils. She stated we will also have to add this in March. She stated that she recommends that we add an additional .2 mils to generate \$128,800.00 for sidewalks. She stated that if we put it on in the spring and it fails, then we will need to put it back on in the fall.

Mr. Tranter stated that he wants answers from Ms. Sims about all the questions we brought up at this meeting. He feels that it is important for her to be here and she should care enough to show up since everyone else took time out of their schedules to be here.

Meeting Adjourned 7:48 p.m.