



Village of Reminderville  
Finance Meeting  
December 11, 2018

**Call to Order**

Meeting called to order by Mr. Wiggins at 5:01pm

**Roll Call**

Mr. Wiggins, present  
Ms. Smalley, present  
Ms. Hach, tardy  
Mr. Petrovich, present  
Mr. DiCarlo, present

**Approval of minutes**

Mr. Petrovich moved to approve minutes from November 27, 2018. Ms. Smalley seconded. All in favor except Mr. Wiggins who abstained.

Mr. Wiggins started going through the payment register. Ms. Smalley asked about the fees for the RAC. Ms. Wordell replied they are monthly credit card fees. Ms. Smalley asked if there was a grant for the work TriMor did. Ms. Wordell said portions were paid for by Summit County and Ohio Public Works Commission.

Mr. Petrovich moved to accept payments totaling \$302,122.80. Ms. Smalley seconded. All in favor.

Mr. Wiggins started going through November's bank statements. November's bank statements were reconciled without incident.

Mr. Petrovich moved to accept November's bank reconciliation. Ms. Hach seconded. All in favor.

Mr. Wiggins reported the Village is at 94% through the year and appropriations are at 84% and revenues are at 99.5%. He asked if court rentals are correct showing at 40% of revenue budget. Ms. Wordell said there are outstanding payments that will be paid before the end of 2018. Mr. Wiggins stated the Fines and Forfeitures are over 1,500% of revenue budget. Ms. Wordell said that was

mostly due to the addition of parking tickets. Mr. Wiggins said there is \$72,443 showing as not received in Road Levy. Ms. Wordell said those numbers were provided by Summit County. Mr. Wiggins also reported the Ambulance Fund is at 127% of revenue budgeted.

Mr. Wiggins started the 2019 budget review. He said at the last budget meeting they laid out criteria that all of the department heads to go and look back at the request to make adjustments and have discussions with Mayor Alonso. Ms. Wordell stated they all met with Mayor Alonso and came back with new target budgets including a 3% pay increase for personnel and increase in OPERS. She continued that the fire department budget included \$280,000 carryover from the vehicle fund and that was removed. She also increased the revenue from the Fire Income Tax Fund based on numbers from 2018. She continued that the fire hydrants expense for the Village was moved to the JEDD and then back to the Fire Income Tax Fund. She feels it could be moved to the General Fund. For the service department, the personnel increased 3%. Vehicle purchases have been removed from all budgets other than the fire truck payment. That was removed due to conversations with Council members and could be moved back in if requested. The police budget has a 3% increase in personnel. The RAC budget includes the potential transfer. The RAC is the only department, other than EMS and parking tickets, that can generate their own revenue. Her personnel fund decreased \$3,000 and she also reduced some capital improvements. Mayor Alonso met with Ms. Ness to recommend generating more revenue rather than making cuts. Ms. Wordell stated the new difference, it shows instead of being \$638,000 possibly cutting into carryovers, it is now at \$77,645. That does not include the JEDD other than the transfer and partial truck payment. Mr. Wiggins added the budget as it sits right now as proposed will be in deficit \$77,645 not counting the \$530,000 set aside for contingencies. That also does not account for the carryover. The reason they did not count the carryover is they established their role was to set the guidelines to develop the budget for 2019; carryover is a mathematical result of the estimates that were made and activities that happened in 2018. It's not a revenue flow for 2019, it was revenue that was against last year's expenses. He thanked the department heads for going back and rebuilding their budgets.

Ms. Smalley said the department heads did a good job. Mr. DiCarlo prefers to see what is usually presented, a line item account for each department so he can analyze it better and search for errors. He feels it doesn't tell him squat and he doesn't like it. Mr. Wiggins said it shows the bottom line estimate of the viability of the Village next year. He views it as their job is to look at the financial viability and set guidelines, not how the department heads manage. How department heads manage is up to the Mayor to evaluate. If they see fraud, waste, and abuse, Council can bring it to his attention and deal with it. The management of detailed operations are put to the Mayor. Mr. DiCarlo said that is true, generically. He said the \$200,000 that they were counting against the fire department as saving money and unless he had the details, he wouldn't have known that. He feels he can't recommend the budget until he sees everything and knows how the numbers are generated. Mr. Wiggins feels that should be put to the department heads and Mayor Alonso. Mr. DiCarlo disagreed. Ms. Hach

said she liked seeing the line items last year but she is fine with how it is being done and feels the department heads did a good job. Mr. Petrovich said he likes both ways but is leaning toward Mr. Wiggins' thought process on Finance Committee's role and if Council wants to see line items they can. Mr. Wiggins added the carryover can be used to balance the budget.

Chief Plunkett stated he feels that everyone is trying their best to balance the budget so there shouldn't be any animosity in the room. He asked for clarification that the Finance Committee is recommending the budget with the revised submissions to Council to pass tonight and that no money will be taken out of the JEDD in 2019, other than the \$530,000 that is being set aside for contingencies. Ms. Wordell said there will also need to be funds allocated for debt service payments which will leave approximately \$300,000 in new JEDD revenue. She also said there is a balance no carryover, General Fund money that is not currently being allocated for any department's budget in 2019 and that could possibly be used toward the \$530,000. Chief Plunkett does not agree with the way the budget was formulated. He said he turned in his budget to Ms. Wordell in early July after meeting with her to go over the forecast for the next year. He does not know why the budget meetings did not start until December and why the meeting he was invited to was cancelled. He would like more than five minutes to talk about the revised budget that are not his numbers. He also said if Council passes the budget as is, there will be repercussions to that because this budget is nowhere near what he needs to sustain his operations in his department. In the future, he would like to meet once a month starting mid-year to start going through the numbers. Maybe pass a temporary budget while they look at the numbers better. He is recommending the budget does not pass unless Council is open to changing numbers later as need be.

Mr. Wiggins responded the Finance Committee did not get the budget until November and they will start earlier next year. He said the budget meetings that are more of what Chief Plunkett is asking for should be between the department heads and Mayor Alonso. Council can evaluate the way the budgeting was done and decide if they want to meet with department heads before it goes to the Finance Committee. He wants to see a budget, he doesn't want to build a budget. He understands wanting to go line item by line item, he feels it's not their job. These numbers are put forward to Council to consider accepting as a budget and Council can say they want more details.

Chief Plunkett stated the revised numbers are not the numbers he initially submitted and he never submitted a revised budget. He is not questioning anyone's dedication but he agrees with Mr. DiCarlo about taking a closer look at specific numbers to make sure the bottom line is a realistic understanding of what each department needs. In the past, they haven't been hurting for money so if he wanted money he would ask and get it. This year, things are tightening. He continued that the Village's revenue is going to plateau due to the developments being built out but his operation costs will continue to grow and that's going to be a challenge and that's Council's problem. It is not the department heads' problem to develop the revenue that it takes to operate the community. It's Council's job to raise taxes, do more programming, cut budgets, whatever is needed to generate revenue, they just spend it. If cuts are going to

be forced, there should be realistic discussions on what each department needs. Mr. Wiggins stated they chose to cancel the meeting and decided to set an affordable budget for the future of the Village. After that, it is in the hands of management and if you need a line item review, the Finance Committee won't stop you. He thinks a review should be between the department heads and Mayor Alonso but if they want to do it with Council, that's fine.

Mr. Hoffmann asked how much of a cut did the fire department take over last year. Ms. Wordell replied the Fire Income Tax Fund had a 5.7% increase; what was taken out was the \$280,000 for the fire vehicle. Mr. Hoffmann stated the numbers are not showing a budget cut for the fire department in 2019. Ms. Wordell said not in the Fire Income Tax Fund and expenditures. Mr. Hoffmann said he doesn't know what Chief Plunkett submitted in July, but looking at the numbers now he doesn't think the departments are really taking a cut. The line items may have changed but the total amount of money the departments have been given to spend has not gone down. Chief Plunkett said \$90,000 that was in the JEDD budget last year has been moved to his operating expenses and he would have to make cuts to the operational side. Mr. Hoffmann said there is a shortfall and Finance has charged Council to balance that out. Whether they take it from the carryover from 2018 or from \$530,000 contingency fund, he will remain whole on that money. Chief Plunkett asked if he is going to get, approximately, \$978,163.00. Ms. Wordell said that is just from Fire Income Tax which is a 5.7% increase from last year. The vehicle payment, \$30,000, and either JEDD or General Fund for the \$20,000 difference, and the Ambulance Fund has \$50,200 which was in your original budget. Mr. Hoffmann said these numbers reflect the same budget as last year including a 3% increase for personnel costs. The same formula was used for police department and service department with the exception of rising salt prices. The budgets stayed stable for this year. Mr. Wiggins said they recommend the budget to Council to balance. If Council can't find a way, they can recommend using a temporary spending plan until a revised budget can be built working together with management, line by line if necessary. The formula was built on historical allocation. Even if Council passes the budget tonight, if there are issues throughout the year, the budget can be reviewed again. Mr. Hoffmann said the goal is that no one has to cut personnel. Ms. Blayney asked if the -\$77,645 was calculated after the contingency money was taken out. Mr. Wiggins said there is \$1m set aside for reasonably known contingencies. He also said when Council accepts the recommendation, they can set up their own review meetings. Chief Plunkett stated he has always appreciated the support from Council every year. Mr. Wiggins apologized to Chief Plunkett for not explaining what the new formula was going to be prior to the meeting.

Mr. Wiggins moved to recommend the 2019 budget to Council to accept and adjust to balance by reducing the \$77,645 to zero; that a reserve is maintained for the IRS penalty and Trax lawsuit; and a determination be made whether or not to use the carryover to balance the budget. Ms. Smalley seconded. All in favor except Mr. DiCarlo who voted no.

Mr. DiCarlo stated this was a great start but stopped short of continuing what needs to be done in the Finance Committee. Ms. Smalley said the budget review needs to start earlier. Ms. Wordell said the budgets are turned in early so she can do an estimate for tax budget purposes that is required by the County. It is an overall early budget. Ms. Wordell also stated she is still working with R.I.T.A. to collect taxes from residents who pay their taxes incorrectly to Twinsburg and Aurora.

Mr. Wiggins commented this is about the viability of the Village and that the departments be responsive to the residents, as they always have been, for years to come. The Committee will discuss the formula for next year and possibly moving it more in the middle of the two processes. Mr. Hoffmann added Mayor Alonso presented these adjustments and is looking to balance without cutting any personnel.

**Old Business**  
**New Business**

Mr. Petrovich moved to adjourn. Ms. Smalley seconded. All in favor.  
Meeting adjourned at 6:44pm.

Respectfully submitted,

Stacey Task, Clerk of Council

Rodney Wiggins, Finance President