



Village of Reminderville
Finance Meeting
March 12, 2019

Call to Order

Meeting called to order by Mr. Wiggins at 6:00pm

Roll Call

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

Approval of minutes

Ms. Smalley moved to approve minutes from February 26, 2019. Ms. Hach seconded. All in favor.

Mr. Wiggins started going through the payment register. Ms. Smalley asked why Mr. Carpenter had a badge as a law director. Ms. Wordell said that is a question for Mr. Carpenter or Chief Buck. Mr. DiCarlo said it might be an honorary badge. Ms. Smalley asked about a payment to Stow Municipal Court. Ms. Wordell said the Village has a contract to pay for anyone who can't afford an attorney. It's the first time in eight years she has made a payment for that. Ms. Smalley asked about the Diamonds in the Rough payment. Ms. Wordell replied it was a donation Council approved for a baseball field renovation in Twinsburg Heights. Ms. Smalley asked about a payment to Life Force Management. Ms. Wordell said the Village pays 7% of the dollar amount collected.

Mr. DiCarlo moved to accept payments totaling \$87,129.03. Mr. Petrovich seconded. All in favor.

Mr. Wiggins started going through the bank statements for February 2019. February's bank statements were reconciled without incident.

Mr. Petrovich moved to accept February's bank statements. Mr. DiCarlo seconded. All in favor.

Old Business

Mr. Wiggins continued the discussion on the survey that was completed on how to move forward with the budgeting process. The third question, *A rank ordering of the following published advantages of line item budgeting*. Items were to be ranked 1 to 5 with 5 being the most meaningful. The averages for *Simplicity* came out as 3.8; *Early Awareness* came out at 3.8; next were *Organizational Control*; *Alignment*; and *Employee Involvement* ranked lowest.

Mr. Wiggins asked Ms. Wordell how she felt about the *Simplicity/Ease of Preparation* for line item budgeting. Ms. Wordell said she has done it the same way regardless of questions that are asked. She has made requested changes for analyzing purposes by creating new spreadsheets if needed. She will prepare spreadsheets as they are requested by Finance, Council, and Mayor Alonso. She has to do line items in the preparation in her system but she has seen in other municipalities where just a bottom-line figure is presented. This follows the requirements set by the County and State because department heads have the authority to move money around within their budget anyway so they just need the total amount rather than seeing each line item in each department. For auditing purposes, she has to take the funds down to line items to show the accounting.

Mr. Wiggins asked for thoughts regarding *Early Awareness* which helps you recognize when a cash flow, shortfall might occur. Mr. DiCarlo stated the line items would help that in the future but in the budgeting process, it has nothing to do with it as to when it occurs. Mr. Petrovich said it's good to be aware if something is being planned for the following year that needs to be considered when budgeting.

Organizational Control makes it auditable. Mr. Wiggins clarified that department heads are allowed to move money within their budget so while they can influence the amount of money that goes to a line item, during the course of the year, unless it's astronomical, department heads will move and spend as they need to. Mr. DiCarlo added, as a disadvantage, they can fluff their line items just so they have extra money to move around.

Alignment, the budget design is consistent with lines of assorting responsibility. Mr. Wiggins feels budgeting should be aligned with the organizational structure or there is no use. Mr. DiCarlo scored this in his top two and said including line items helps in analyzing the numbers for creating the budget. Ms. Hach feels the three top ranked items seem to cover making the process simpler while the bottom two are more for the books. Ms. Smalley agreed the results show making it simpler but they need to stay aware and be prepared to make changes if necessary. Mr. Wiggins summarized that the Finance Committee supports a concept of a line item budgeting process building, using, and reviewing the content as such an approach easy, realistic, and consistent and thereby heeds in budget creation, analysis and quantity. Mr. DiCarlo added including the line items to the process does not mean having to spend 20 minutes on each one. They can choose which ones to focus on. Looking at the line items helps to see how the bottom number was calculated.

They all agreed to go over the last question at the next meeting.

New Business

Mr. Petrovich moved to adjourn. Ms. Smalley seconded. All in favor.
Meeting adjourned at 6:48pm.

Respectfully submitted,

Stacey Task, Clerk of Council

Rodney Wiggins, Finance President