



Village of Reminderville  
Finance Meeting  
April 9, 2019

**Call to Order**

Meeting called to order by Mr. Wiggins at 6:30pm

**Roll Call**

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

**Approval of minutes**

Ms. Smalley moved to approve minutes from March 26, 2019. Mr. Petrovich seconded. All in favor.

Mr. Wiggins began going through the payment register. Mr. Petrovich asked about a charge that was added and then deducted for Silver Fitness. Ms. Wordell said it was a charge she had to assign to a fund when it came in and after speaking with Ms. Ness at the RAC, she moved it to the proper fund. Mr. Wiggins asked about the mattresses. Ms. Wordell said those two sets of mattresses and box springs were delivered for the Fire Department.

Mr. DiCarlo moved to accept payments totaling \$87,372.38. Ms. Smalley 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 fourth question, *A rank ordering of the following published disadvantages of line item budgeting*. Items were to be ranked 1 to 10 with 10 being the most meaningful.

The third item ranked was *Encourages Increased Oversight*. A potential flaw in line item budgeting. It may invite micromanagement. Mr. Petrovich said that's basically what they've been doing in years past. Mr. DiCarlo said the job of Finance and ultimately Council is to approve the budgeted amount for each department looking at line items and that is not micromanagement. He feels micromanagement is after a budget is approved, expecting a department head to

go back to Council to then get approval for every purchase. Mr. Wiggins said the department heads are asked for amounts they feel they will need and throughout the year their purchases are reviewed through the PO process and the reports given each meeting and questions can be asked. He added that the difference between the Finance Committee and Council is that the Finance Committee is set up in the Charter as to provide budgeting guidelines and to see that a proper budgeting process is followed and then within that process it falls upon the Council to say whether they are comfortable with the budget the Finance Committee has recommended and if they want to do a more detailed review and ask questions, they can. Mr. Wiggins added what bothered him about this third item was the phrase "little or no performance". He would like to emphasize getting increased performance information. Ms. Smalley added they cannot micromanage something they know nothing about.

The fourth item ranked was *Fosters Entitlement*. Promotes tendency for department managers to feel entitled to the same level of funding they have received in prior years. Mr. Wiggins wants to minimize any entitlement. Mr. DiCarlo said it has always been there and if you lower their budget, they won't like it. Mr. Wiggins replied it's their job.

The fifth item ranked was *Not Performance Based*. Budget dictates how much money available for the line item and does not specify results to be achieved by spending. Mr. Wiggins said this is covered in the understanding that performance information is the emphasis.

The sixth item ranked was *No Value Statements*. No justifications for expenditures are not explicit and unintuitive. Mr. Wiggins said that covers what they have been talking about throughout this process and to have more meaningful reviews. He would like it emphasized to have value statements.

Mr. Wiggins said they will rewrite it in a way they can share with department heads for them to understand how they have created a budget approach and process. Mr. Petrovich and Ms. Smalley said they want it to be presented with wanting justification and value statements.

The next item is *Does Not Promote Creativity*. Managers cannot make any changes in departmental operations when the budget does not permit spending for anything different. Mr. Petrovich said he wants to promote creativity and allow managers to make changes. Ms. Smalley said creativity does not fit into government; you're not going to have an art or music line item – you're going to have ammunition. Mr. Wiggins said maybe a better word would be innovation and to use it in performance, not budgeting.

The next item is *Limits Flexibility*. Line item budgeting does not leave the manager open to any spending changes without the approval of upper-level management. Mr. DiCarlo said that is completely false. Mr. Wiggins said they are allowed to move around their budget.

The next item is *Unresponsive to Inflation*. Mr. Wiggins said this had nothing to do with line item.

The last item is *Discourages Initiative*. This would be under the minimize column.

Mr. Wiggins will look through the notes and minutes to put together some guidelines for department head to use in developing the budget.

**New Business**

Mr. Petrovich asked about receiving letters of interest for the open seat. Ms. Wordell replied there have been a couple of letters for Mayor Alonso to review.

Mr. Petrovich moved to adjourn. Ms. Smalley seconded. All in favor.  
Meeting adjourned at 6:59pm.

Respectfully submitted,

Stacey Task, Clerk of Council

Rodney Wiggins, Finance President