

Minutes of the Finance and Audit Committee
SHEFFIELD LAKE, OHIO
November 20, 2018

This regular meeting of the Finance and Claims Committee was held Tuesday, November 20, 2018. Chairperson Stark called the meeting to order at 7:01 PM.

ROLL CALL OF MEMBERS:

Present: Stark, Rosso, Erdei, Kovach, Cizl, Gee, Radeff, Mayor Bring, Finance Director Smith, Superintendent Hastings, Law Director Graves

Absent: Wtulich (excused)

PRESENTATIONS: None.

FINANCE DIRECTOR'S REPORT: Finance Director Smith advised there is an ordinance attached that is revising, we have 2 non-bargaining full-time employees that their health care contribution ordinance hasn't been revised since 2010. So, we have taken it and made it mirror the Police contract I think for 1-1-19. Law Director Graves stated yes, right this would be the 2019 OPBA rate. Finance Director Smith added this will start in 12-1-2018 of this year, it is just going to be the same as Police. Also, I have been working on the 2019 budget and there is something that I have wanted to do with our budget for a very long time. We have a few sub funds, general fund is your 101 account then we have 105 which is Shoreway and that needs to stay the same because it funds itself and that is its own baby, nothing from 101 comes out of anywhere to fund that and that is its own thing. She continued 107 is our Community Center, that fund was setup years ago in a separate committee and Steve you may know what they did years ago on the Community Center. But it was setup as a sub-fund for general fund but every year I have to fund it to keep it going; to do the upkeep and utilities and all those things. So, it really should be in the 101 account because it is a city building that is no longer run by a separate committee or organization or anything like that, do you remember what that was? Superintendent Hastings advised Board of Trustees. Finance Director Smith stated thank you Pat, so it should be in the general fund with all of the other city buildings and it just makes sense as it would be easier accounting that I wouldn't have to transfer money into the 107 to run the Community Center. I would just have appropriation lines, separate department that would just do everything that it is doing now. But it would be just as easy to keep track of everything but it would be much simpler accounting in not having to transfer. The auditors don't like transfers and I don't like transfers and it is really un-needed and I have wanted to do it for years but I finally thought I am just going to get this done. I am kind of giving you a heads up, next month I would probably have some appropriation changes and transfers so the funds that are currently in there can go into the general fund and leftover monies will go into the

general fund. Then the other fund is 108 which is called damage and claims, a couple of these funds were setup years ago because there was an ordinance that allowed the Police & Fire Departments to get a certain percentage of the general fund. So, probably 35 years ago, somebody split out any damage and claims, like any insurance claims that we have, money would go in there and get paid out of there. It doesn't always work that way because if we have a damage to a water meter, I am not going to transfer into 108 to transfer it out of there to go to 601 to the water department. So, that as well has become antiquated and I would like to combine that with the general fund. It is a general fund account, it is a sub fund and I just want to make it all general fund. I think it will be cleaner, neater budget and that is my goal. I like to make it simpler and somebody years ago made it way too complicated and then I haven't really changed it, I get too busy sometimes and it is like you put it off and put it off but I want to do it. If anybody has any reason that I shouldn't do that I would love to know and like I said next month you will see appropriation changes in fund transfers to fix everything so I can get the 2019 budget up and running properly with all those accounts in the 2019 budget. Councilman Cizl asked in regards to the Community Center, since we have income coming in there, would we lose that accountability of rates, etc. Our other city buildings aren't really raising any money, are they? Finance Director Smith answered no and that is a very good question and I will have a separate revenue fund line just for the rent payments. We will still always be able to see exactly what we are bringing in. There is a deposit account in our agency but in the very end of the budget you will see 856 which is like an escrow account for deposits. If somebody is going to rent the Community Center, so if somebody gives us a \$100.00 deposit it goes into that account and when they don't do any damage and there is no cleanup then they get that \$100.00 back – none of that is going to change. The rent will go into a separate line in the revenue budget and then all of the expenses will come out of...it will actually have its own department number because like right now police is 101.210 sand 210 being police. So, if you see 210 in the budget it would be police department money. So, this would be 101.520 which is currently 107.520 but I am just going to include it in the general fund. The auditors will be really happy with me because they always go why do you do that. It is antiquated and unnecessary. Councilperson Gee asked that is not going to affect the grant money that was just gotten for the addition? Finance Director Smith answered no, it has nothing to do with that. Councilperson Stark asked is there a way or how much time would it take you just to get us an updated list, like I know you are trying to get rid of some funds. Is there a way that we could have just a general list like 101 is general fund or anything like you are going to move, just to have it wrote down with the budget. Finance Director Smith answered those are probably the only 2 I would probably even do and it is just absorbing...anything that starts with a 1 is all general fund. They are just broken out, instead of doing it by department which is the correct way of doing it they did it by making the 101 into a

107 and 108 which is just how they decided to do it. Every auditors that comes in here goes wow, you have a lot of funds and I just tell them I know, I am working on that because some of them are unnecessary. All the 200 series are called special revenue and they are monies that are very specific to how they come as to how they go out.

OLD BUSINESS: None.

NEW BUSINESS:

An ordinance by the Council of the City of Sheffield Lake establishing full-time non-bargaining unit employee eligibility and contribution rates for participation in the Lorain County Health Insurance Plan effective December 1, 2018 and the declaring of an emergency. *Motion by Gee/Second by Cizl to add the ordinance on agenda to next Tuesday's Council agenda. Yeas All.

MEETING ADJOURNED: With no further business before this committee,

*Motion by Erdei/Second by Cizl to adjourn at 7:07 pm.

CLERK OF COMMITTEE AFFIRMATION: This meeting of the City Committee of the City of Sheffield Lake, Ohio was held and conducted under all rules and regulations governing the Sunshine Laws of the State of Ohio as they apply. All meetings are recorded and available in Council's office.

CLERK OF COUNCIL

Kay Fantauzzi

I, Kay Fantauzzi, duly appointed Clerk of Committee of Sheffield Lake DO HEREBY CERTIFY that this is a true and exact copy of the minutes of the Finance & Audit of November 20, 2018.

CHAIRPERSON

Leanna Stark

COUNCIL PRESIDENT

Rick Rosso