

**VILLAGE OF OAKWOOD
FINANCE COMMITTEE MEETING MINUTES
2024-4-9**

ATTENDANCE

Erica Nikolic, President	Brian Thompson, Finance Director
Johnnie Warren, President Pro-Tem	
Taunya Scruggs, Ward 1	
Eloise Hardin, Ward 2	
Paggie Matlock, Ward 3	
Mary Davis, Ward 4	
Candace Williams, Ward 5*	

ABSENT

Dave Tapp, Fire Department	James Climer, Law Director
Mark Garratt, Police Department	Daniel Marinucci, Chief Bldg. Official
Matt Jones, Village Engineer	Ross Cirincione, Prosecutor
Tom Haba, Service Director	Gary V Gottschalk, Mayor
Carlean Perez – Recreation Director	

*Arrived after roll call

* Chair of Finance Committee

Meeting opened at 5:15pm by Williams

Pledge of Allegiance

Roll Call taken

Williams: Mr. Thompson, you said you have some reports for Mrs. Davis. **Thompson:** Councilwoman Davis asked for a more descriptive, thing of everything on the Huntington credit card. So, I show and told her every month, we tie in the payment on the credit card. To every single receipt happened in that month. And, documentation always comes pretty thick like this. So, I'm just trying to figure out, like, this is a lot to copy. Or should I just make it available for you to come in and review it at your leisure? Maybe put them in a box. If not, you have to copy at least eight thick of these, every month if you want. **Williams:** Who would like paper copies? **Davis:** I do. **Williams:** Of credit cards reports? **Thompson:** Yeah, I'm trying to figure, like, if I could just make these accessible. Because we can have it to make sure they stay together as well. Just for upcoming audit and everything. So the thing is like, do you want nine copies of these every month? **Williams:** We don't, for now only Councilwoman Davis wants a physical copy. **Nikolic:** I'll take one. **Williams:** Councilwoman Hardin, we were discussing a preference for credit card statement report with the invoices attached. Would you like a copy? **Hardin:** Yes, please. **Matlock:** So, is that for one month? **Thompson:** Yes, it's thick because you're receiving a lot more little detail of every single receipt. **Scruggs:** Can you also make one available for us somewhere we can come in and check it out? **Williams:** Well, I was going to ask once you do the copy, because you'll have to copy. Can you have it scan in for the rest of us. **Thompson:** Okay, all right. Okay. **Williams:** So, that is the monthly data of credit card statements with the corresponding invoices and receipts. So, we have a number of reports that we look at now. It may be better for us to try to assign where someone is looking. We can all look at them because we'll all receive them. Councilwoman Davis already said she like to continue to look at the

account statements in detail. And then she can point out, hey, I think we need to look at this. Then maybe we get an extra copy. Is there anybody else that would like to do the monthly detailed credit card statements with the corresponding invoices and receipts? **Hardin:** So, you have two eyes looking at the same thing. Is that the objective? **Williams:** Yes. **Hardin:** That's fine. **Matlock:** Just send me one electronically. So, we can actually take notes. Because if I see a discrepancy, I can always print that one page out and then bring it. **Hardin:** Madam Chair, all kidding aside, I'm backing up. You two work together since you are close. Come up with something else. **Williams:** Okay, I'm about to run through the list right now. This is not because we won't get them. This is just because when we get all these reports. What we've often discussed is, there's so much to look at and so little time before meeting. This way, maybe everybody, you can look at anything you want. But also, specific people we know are looking at line by line at specific things. **Hardin:** Yes, ma'am. **Williams:** So, there's an up-to-date payroll register. **Hardin:** I'll do it. **Williams:** The statement of cash report. **Hardin:** How many reports are they all together, Madam Chair? **Williams:** We have 15 right now, but only about 4 or 5 of them are like quarterly or every few months. Some of them are not every time we meet. **Hardin:** Okay, so the ones that we're looking at, we're going to look at, weekly or it's often. Are we going to have continued have our meetings every Monday? **Williams:** It sounded like everybody's Mondays were free. So, if we could pick just one Monday, either the second or fourth. So, another concern was that we have a meeting. And then there's such a lapse between having that meeting and the next meeting. That we are not continuing the conversation. So, maybe we do a Monday, second or fourth Monday right before the finance and Council meetings? We'll have to determine that. **Hardin:** Okay, Madam Chair, what I understood, or I thought we had agreed. Until we really get a get a feel for or a grasp on things. We're going to do it every Monday. That's what I thought. **Williams:** We're doing it all Mondays in April. **Hardin:** That's what I thought. **Williams:** Are you saying you want to continue all Mondays into May? **Hardin:** I thought, that's what we're going to do for a little while. **Williams:** I mean, we hadn't to make a decision after April, so we can have that conversation. **Hardin:** Alright, and then that way, whatever you assign us. We'll be proficient in that area, so to speak. **Williams:** So, we're saying every Monday at 5:30 p.m. until we decide we're good. Alright, statement of cash? I'm going to skip it if nobody is, and we'll come back to it. The detailed revenue report? **Scruggs:** I can look at that. I was trying to write it down. **Williams:** I am going to make a list of these too. So, there's the up-to-date payroll registrar, so that was myself and Councilwoman Hardin. The statement of cash, nobody took. The detailed revenue report you took that one. The detail expense report. I'll take that one, anyone else? **Nikolic:** I'll take the expense report. **Scruggs:** I'm trying to take one that would be easy for me to understand. I'm trying to listen what the options are. **Williams:** There's the check payment line report, ordered by fund. **Nikolic:** I'll take that one. **Davis:** I never saw that; did we see this one? **Williams:** It hasn't been sorted by fine yet, but that's the payment line report. You want to do that one? **Davis:** Yes, please, thank you. **Williams:** The detail encumbrance report? **Hardin:** I'd like to do that one. **Williams:** We have the monthly invoices for the law department. **Scruggs:** I can take that. **Williams:** The quarterly 941 form quarterly IRS 941. **Hardin:** Are those caught up? **Thompson:** Yeah, we have them up to date. **Williams:** We'll go through that. Anybody want to take that? It's four times a year. **Matlock:** I (inaudible). **Hardin:** Because you're familiar with those. **Williams:** Councilwoman Matlock, what else did you take? I missed you oh, that the credit card statements. The debt schedule, which... how often, that's semiannual. **Thompson:** Yea, semiannual. **Williams:** And then I'll let Councilman Warren, know (inaudible) as well. We asked for an event expense detail after every event. From now on,

knowing which expenses are attributed to which event. **Nikolic:** I'll take that, I asked for it.

Williams: The vacation and sick leave accruals. We took the up-to-date payroll register.

Hardin: You know, a couple things, Madam Chair. Because we wanted to make certain that it was accurate. And certain people that have been contacted to make sure that they know that there is a change. Whoever takes it would be responsible for making sure those contacts were made and documented. Can we do that as a committee? **Williams:** Can it also go through your HR committee? **Hardin:** Okay, that's fine. **Williams:** So, if we're checking the payroll register. Do you also just want to take that as well? Since I'm also on that committee. **Hardin:** Okay.

Williams: The special audit investigation, just as an update. And then the health insurance

claims is the next one. **Hardin:** I'd like to do that. **Davis:** Are we allowed to see the health

claims? **Thompson:** No, not the actual claims. **Davis:** Okay. **Hardin:** So, when it occurs, a

report is generated? When a claim is filed. **Thompson:** The way it is now, before I paid strictly

by claims reports. But now I pay one full amount for the fully insured plan. **Nikolic:** We've paid

out \$35,276 in claims from 1/1/24- 2/29/2024. **Thompson:** What happened was we had that run

off that we paid for. When you switched those plans. **Matlock:** That's what I thought, but (inaudible) like a couple months. **Thompson:** Yeah, a couple of months, so those would be those

actual claims. And when we started doing a new action plan. I'm just paying off a fixed, fully

insured cost every month. Which is about fifty something thousand now. The claims, they would

have to run me. Before they were running claims. They say, hey, you got 40,000 claims and they

would list all the individuals. Which they still had their claims report in the background. But

right now I'm just paying, you see that fifty something thousand every month. You're not paying

for the plan. So, I'm just giving you the amount I'm paying every month. I'm just paying the fifty

so it's not fluctuating now. Because it's not a stop loss situation because we're fully insured. So,

I'm just paying fifty something thousand every month. **Davis:** In premium? You're talking about

a premium? **Thompson:** For the plan. **Davis:** Okay. **Hardin:** So, were in a "not to exceed"

situation. Is that where we are? **Thompson:** It is out of pocket for, you know, certain individuals

like \$2, 500- \$5,000. But after that, they pick up all the claims. When you put your individuals

amount out of pocket. **Matlock:** So, let me ask you a question. When you're picking out those

individuals for out of packet. Who's paying out of pocket? **Thompson:** The (inaudible) as we

agreed this year. **Matlock:** Who agree? **Thompson:** Well, administration put in place. We gave

the individuals, single, and family, just a stipend to offset. **Matlock:** Who approved the stipend?

Thompson: Administration with the Mayor. **Matlock:** But who approved that? Aren't we

supposed to approve the stipend? **Williams:** Yes. **Matlock:** It was supposed to come through

Council for the stipend. Because my thing is, you're saying that the stipend was approved

through administration. **Thompson:** Yes. **Matlock:** That defeats the whole purpose of us getting

a health care plan. Where they paid part of their deductible. And really, the deductible part of

that is not until you do what? Go to a hospital or something, because basically. **Davis:** So, they

have to pay when they go to the doctor's, or prescriptions, or whatever. They pay the first two

thousand something out of their own pocket. And then after that they're covered (inaudible).

Matlock: But he said something that we're paying, we're paying right now. **Thompson:** We're

not paying the total out-of-pocket. We just came up with portion for their HSA accounts.

Matlock: How much did you give a portion. What is that portion that you get? **Thompson:** We

had to cut our recommendation with the insurance company. Police are separate from, at will

employees. So, the Police is like \$6,000 for a year. And then the at-will employees were based

on single family. So, about \$624 and like \$500. So, I have to go back, and I will look at my

records. But that's what it was for the first year only. **Matlock:** For the first year, the city is

paying how much? **Thompson:** Contribution to the HSA. **Hardin:** Can I, can I say something? This is part of what gets me upset. These things are just said, and we don't. I don't know about you. I'm not understand. **Thompson:** You had it on paper when Jim Love came here. **Hardin:** Okay. **Williams:** Y'all did not have it on paper. He gave us a verbal report, and he was supposed to get us a report with all those figures on paper. Neither you did nor did he, still as of this day. So, it was not on paper. It was a verbal report. And you guys ran down 79 numbers to us and that's all we got. **Thompson:** I thought we would send to report. **Williams:** No, you did not send the report. We asked for all those figures that you... **Matlock:** And if that was something that we were supposed to be paying a stipend. That should have come to Council first to approve the stipend. They need to stop sticking you with this stuff. Or telling you to pay these individual claims or stipend or whatever. When you haven't even come to the Council to see, if this is okay. **Scruggs:** I have a question about when its it being paid. **Williams:** The HSA amounts? **Scruggs:** The \$625 for the family and the \$500 for the single if that's where it goes I'm not sure. Is it paid after they've already paid their \$2,500. And then the stipend is supposed to kick in? Or is this something that's happening in the midst of what they're already... **Matlock:** I don't think it works that way. He's saying when they pay prescriptions, whatever. But Blue Cross Blue Shield prescription is already there. Regardless to the fact when you get the prescription when you go into the pharmacy. **Williams:** He's not fully explaining it. The HSA account is essentially an account that holds money for your health care. You can only spend it on health care expenses. That the government has said yes, this is what you can spend it on. The money essentially goes into a pot. So, it's up to us how we pay that. Brian how did you all determine how that was being paid out? Because Council didn't authorize anything. **Thompson:** Council did not authorize; it was given administration. It came from Mr. Love and working with the insurance companies to determine the amounts. **Williams:** But how are you all paying? **Thompson:** The stipend like if you were getting the 1000 for a year. You still had to cover your out-of-pocket past that's a thousand. So, we gave it to them for the first month. In a second were going to do it in June. **Williams:** So, you all paid out these... **Thompson:** We paid half of it, we had to fund the Police because they have a union. At will employees at (inaudible). **Williams:** So, what line item did you put that under? **Thompson:** (inaudible). **Williams:** You said you put that in the health care claims? **Thompson:** Yeah, claims. **Williams:** Why wouldn't you have a separate HSA line? That's not an insurance claim technically. **Thompson:** It doesn't at this point, we don't have an account created under there. **Williams:** So, you need to create... So, when you all made the decision to do that without our authority. You need to have clear funds established. That's not a claim, so that's why we're talking about expenses in places where Council really can't see what it is. Because that is not a claim in any way, shape, or form. That is HSA that is strictly defined by the federal government. **Thompson:** It is, I mean, it's going to be paid for claims ultimately in the end. **Williams:** That should have it's own line. **Thompson:** I mean, they going to use that for claims and... **Williams:** No, they are not. **Thompson:** Yes they can... **Williams:** They use that for... **Thompson:** (inaudible). **Williams:** Yeah, but that's not a claim. That's paying their medical bill. **Thompson:** But even the claims that they billing me. Is still in the same category that they can use the HSA for the medical. **Williams:** HSA is very strictly defined by the government. There are very strict prescriptions, equipment that's medical, there's very specific things. There is a medical bill, but it's not a claim that's different. A claim is something that's different. So, we can't swap language. Where the language ... that just does not fit there. **Thompson:** Okay. **Davis:** So, we started a health savings account for every employee besides Police. **Thompson:** Yes. **Davis:** So, that money, the \$625 per family, \$500 per single. It's already in their accounts?

Thompson: Yes. **Davis:** And the premiums are paid by our city completely 100%. So, they're not paying this... it's not their money for this health savings. Is it just for the offset their deductible? **Thompson:** Correct. **Davis:** Okay. **Williams:** So, two things when we go back to amend the budget. We need to make sure that summer camp, all of those expenses got amended as we asked. And then you need to create a separate line item for HSA. It doesn't matter if it's one year, two years, six months, it needs to go in its own line item. **Thompson:** Okay. **Nikolic:** I had a question about insurance, Madam chair. **Nikolic:** So, what about the Affordable Care Act? How many people? I was told that some people you can get off. Where we would not have to pay for pursuant to the Affordable Care Act. So, I'm not familiar with it, but I was told that one way to decrease our insurance bill. Was to put some people on the Affordable Care Act. **Thompson:** I think it would be up their decision on that on the Obama plan. But I know also, they can go to Medicare. **Nikolic:** Is that Medicare? **Thompson:** No, Medicare and Obama plan is different. **Nikolic:** This is the Obama plan? **Thompson:** Well, you said Medicare, right? **Nikolic:** No, I said Affordable Care Act. **Thompson:** Affordable care is more like the Medicaid. That could be, which is separate from Medicare. **Williams:** The Affordable Care Act is different than Medicaid. Medicaid is entirely different than the Affordable Care Act. **Nikolic:** Okay. **Thompson:** Normally when you deal with the Affordable Care Act, you're on Medicaid. **Williams:** those are separate things. **Nikolic:** So, my question is can we explore whether it's possible. To look at people being serviced pursuant to affordable care. **Williams:** Can you enlighten me? **Howse:** So, Affordable Care Act is if you have employees that work 30 hours or more. They must be on health care; you must provide health care for them. If they are not on health care, if they're working less hours than that. Then they choose to decide whether they want to get supplemental health care. It's not in lieu of or an alternative, if they are full-time employees. We must offer full health care coverage for them. There're no in-between offerings between that. As far as the HSA, that you guys have. It should have been passed legislatively, one. Two is, are the employees paying that back over time? Or we just outright giving the money for employees to cover any expenses relative to health care expenses. Such as prescriptions, the difference when they receive a bill, when they are charged for services, and the difference? If you just say you're a 20, they can fill the 20%. They can use the HSA for that as well. But it is supposed to be like... If anybody's familiar with that Aflac. The HSA is supposed to help subsidize what's not covered. But typically, a lot of government entities are not giving free money. They divide what they owe over time. Over their pay periods, to get the money back. To pay the Village back that money. But since you guys don't know how that was set up, that's a good question. So, are we using we're giving just giving away money and paying employers, and you said it in the police contract? **Thompson:** The Police contract has certain language where their benefit level should be. So yeah, they had a separate HSA contribution. We gave it to them for the first year. That was it, you're not due to pay back those HSA contributions. We gave them in the first year. **Howse:** What first year? When you say you... **Thompson:** Well, this year because it was such a change from \$5 family a month. To now potentially out of pocket \$5,000. So, we gave the contribution to the HSA and they're not going to pay it back. **Howse:** So, did you do a MOU? Did you change your union contract to reflect about HSA? **Thompson:** They may not have changed, but they had a certain benefit. **Williams:** But that benefit level has not been in there before. So, you all had to add it. We have not... **Thompson:** The language of the plan wasn't there before, but the benefits was there. **Howse:** The language in the plan says if it drops down to what they are accustomed to receiving. **Thompson:** Yeah, it shouldn't go below that. **Howse:** That's if it goes down, well, this isn't a drop down. This is an addition; this is an accessory to

what they're getting. **Thompson:** They were never out of pocket with so much money.

Williams: You're missing the point. The basic contract language has never included us giving them money for their HSA. So, who on the Administration made the decision to add that?

Because it had to be added. Because it's a standard FOP contract. Somebody... **Thompson:** The contract language I don't think change. It probably needs to be interpreted by Climer on the legal side of the contract. We're not supposed to have a benefit level they didn't have before. **Matlock:**

I thought that when you negotiated the health care of the Police Department. We already knew that was under the union, yes. We weren't supposed to touch them at all. Because that already was a negotiated contract with the union, okay. Our prime concern was the nonunion on what their contracts were going to be. But the union contract already states inside the union contract what they're going to receive. So, who negotiated that? You guys did that on your own. That was not something that we did. We already knew that was under contract. Just like the 5% raise was nothing we could do. Because that's already under contract. You already agreed to that and signed it all, that's a done deal. **Thompson:** You're correct. **Matlock:** So, your Police

Department is not even part of this. **Thompson:** Well, we were just going through the dialog explaining the benefit level. **Williams:** The language says "like" or "the same" or something like, that has the language. But we've never had HSA payment. We didn't have it last year.

Thompson: Yeah, that language did not change the contract that we had to keep. **Williams:** So, last year we did not honor the contract? **Thompson:** Yeah, we did. **Williams:** Right, but an HSA was not in there. **Thompson:** This year. **Williams:** Right, so thank you, you're taking back to our previous point. Someone added that, who was that? was that you? **Thompson:** The Mayor ultimately makes the final decision. It wasn't like added to the contract. The contract has not been changed. **Davis:** Remember the guy talked about those 65 and over can go on Medicare.

Thompson: Yes. **Davis:** It would be much cheaper. **Thompson:** Yeah. **Davis:** So, how many did we actually get? **Thompson:** Four people moved over so far. **Davis:** That's all? **Thompson:**

We only have about seven. **Davis:** So, four out of seven, why are they not... Can you legally make them go in the supplement? Because it'd be a lot cheaper than it is. **Thompson:** They have the option to stay on the primary plan. Or move it to Medicare, you can't force them. **Davis:**

Okay, because I thought if you're 65, you have to automatically go on Medicare supplement. Your employer may pay for part of it. But you still had to go on it. **Howse:** If you are employed

full time. You can continue to collect your pension. There are OPERS, Medicare is deducted, Medicare is 1.45%. So that doesn't stop when you get a certain age. **Davis:** Mr. love made his

presentation. He said that it would be a lot cheaper per premium. For those who are 65, to go on their Medicare supplement. Which would be the same coverage that they were getting, but

whatever. But then I remember them mentioning that our city were going to pay their Medicare. If they went on Medicare, they wouldn't even pay for their Medicare supplement. Is that true?

Howse: Because he was talking about people who are retired and came back. Only those individuals who have retired and come back. That they should be, the consideration is, are they coming back? And if they come back, remember the discussion was why are we paying for health care for individuals who have retired and come back? I think somebody asked that question. And he was saying that of course it would reduce if they were. But, since they have come back. You can always negotiate a contract when an employee comes back. Then you can say we can hire you at this time, but you have to take your own health care. **Thompson:** It wasn't just for those retirees. **Matlock:** From my understanding, when you turned 65. Medicare is already going to kick in. You're still going to pay whatever health program you're under.

Medicare is going to be your first health care. And then your other one would be extra your

health care that you have. **Davis:** But those people that are on this, are we paying their... Because I heard somebody say something about what we're going to pay if they went on the Medicare. The whole premium, the \$174 per month, are we doing that? **Thompson:** We're not paying anything at this point. **Davis:** We're not paying anything for sure? Like the Medicare people, the four out of seven? Okay. So, they're just getting their health savings account. Which pays for that too? **Matlock:** If it was a real health savings, they can get that premium back. Because that comes straight from Social Security. **Howse:** That is a question, is the deduction being taken out of the employers for the contributions that the Village has paid? **Thompson:** No. **Davis:** So, we're paying the whole premium? We pay the whole premium, they just get their deductible they have now, whatever it is. **Nikolic:** So, I thought, the HSA money, they take it out of your check before taxes. So, it's almost like a tax shelter. Is it something different? **Thompson:** No, you're right about that. It's kind of like voluntary for employees on if they are going to contribute more to their HSA. We had two people that opted to do it at this point. **Nikolic:** But it always comes out of your pretax dollars? **Thompson:** Yes. **Nikolic:** So, the difference here is... explain it to me. We're putting money in their HSA account? **Thompson:** Initially, yes, like if they were single, we agreed to give them \$1,000 in two installments, \$500 on a January 5th and \$500 in June. **Williams:** But how are you transacting that? **Nikolic:** But why? **Thompson:** Because of such transition on, on the health care plan. **Matlock:** So, are you giving it to them? **Thompson:** Yes, they got it their HSA. **Matlock:** So, why are we paying the claim after they long did it? If you gave them the money? What claim are you paying? **Thompson:** Say if it's a family and you get \$1,000 and you still got to be responsible for up to \$5,000. **Williams:** I'm Sorry, he's confusing this. So, the HSA is an account that either the employee or the employer can pay into. Is is simply like a bank account. It holds money where you literally have a debit card to it. And you can charge for your medical expenses, prescription, whatever the specific guidelines are. It an account for that only. So, are you saying that we deposited money into their HSA account, or did you give them stipends into their paycheck? **Thompson:** Into their HSA. **Williams:** Okay. **Nikolic:** So typically, it would come from their earnings? Because that was my understanding. **Thompson:** We funded that initially, but they have the option to fund it more from their paycheck; so pretax. **Nikolic:** So, that's a benefit, right? **Thompson:** Yes. **Nikolic:** That's a benefit that we're going to give you \$500 into your HSA. **Thompson:** Yes. **Nikolic:** To pay your prescriptions and everything like that. Okay, bear with me, but they can decide to put in more from their paycheck if they choose? **Thompson:** Yeah. **Nikolic:** How long are we putting payments into their HSA account? **Thompson:** Just one year, it was a January deposit in general. **Nikolic:** Two deposits of 500. **Thompson:** Yes. **Nikolic:** So, a thousand for the year for everybody? **Thompson:** Yes. **Davis:** No, \$625 you said... **Thompson:** For different levels, singles get less and families get more. **Nikolic:** And you said this was to sort of support the transition or make it more palatable. I'm not sure what... **Thompson:** Yeah, both of those words would be appropriate. We were trying to make it more palatable because all they were paying was \$5 a month before. **Nikolic:** And now they're paying... **Thompson:** A lot more. **Williams:** So, essentially, we had claims that were so large. That we had to get a different health care plan to pay less for claims. And then, because that made their amount that they had to pay out of pocket, higher. Brian and the Mayor, but the administration and I guess the Finance Director too. Because you sent the payments and made a decision to give the money. As a this is going to be, more out of your pocket than you're used to. So, we're going to give you these dollars. However, you're not authorized to make the June payment unless it has legislation. And I want to be very clear. Do you know that when you make payments we don't authorize. That, we get asked you to

recover those payments because they're not authorized. (inaudible) Do you understand?

Thompson: Yes. **Williams:** Are we all done with health care? We still need that report with itemization. **Thompson:** Can you have the Clerk put that all together. Because it's kind of like ongoing and adding things. If you have one final one. **Williams:** Well, we been asking for that, when did Love come? In January, I have been asking for that. Update on, were all credit cards turned in? **Thompson:** No, not at this point, I got Building's, I got to get the rest. **Williams:** Can you create a list of all credit cards we have and the date you received them back. And can you give us a report that you signed off on. So, we have verification at that point. **Davis:** Did you send out a letter to each one who has a credit card? **Thompson:** No, it's ongoing, I am putting it out formerly for everybody. **Davis:** Okay. **Williams:** So, they have not received that yet?

Thompson: No, not yet. **Hardin:** As we collect those credit cards. Do we have a formal procedure in place, period. Whether we got two cards or 50. Do we have a procedure in place for how to manage the cards that we do have. **Williams:** Councilwoman Hardin what we asked last time was that they'd all be shredded. And we discussed with the Police Chief today our process for the gas cards. And then we create that through legislation. **Hardin:** I know that was the answer. I wanted to reiterate it as soon as possible. So, we are on paper with how to manage what is out there. **Williams:** So, we had our meeting April 1st, and you said you can have the cards starting in the next few days. Which would have been the second or third. **Thompson:** Okay, it's not done yet. **Hardin:** You said it and we talked about it before we started. There was supposed to be a discussion with the Chief. Have you had that? **Thompson:** I did talk to him, so you can probably elaborate tonight. I did talk about the gas card. **Davis:** And the Fire Department Chief. **Hardin:** How much longer before all those cards are collected? **Thompson:** I can't set a final date, it'll be soon. You'll be able to talk with the Police Chiefs and see how they want to handle the gas. That's probably the last discussion so we can move forward. **Williams:** So, the credit cards would be a separate process. What date will you have them all turned in? **Thompson:** I can't say the exact date. **Scruggs:** So, since we can't set a date they can be collected. Can you call each of the credit cards and put a hold on every single one that you don't have? So, that there's no transactions that are made from now. Because it probably was some made since our last meeting. And we don't have that information. So, since you can't collect them, call them. You can do that and put a hold on it. So, there's no more spending on those cards. **Thompson:** Yeah, some of those cards has got a couple of recurring monthly things on it as well. Some small stuff for the whole Village. I mean, they just fall where they may if I cut them off. So, if the service is not on, you know, it's not happening because I put them on hold and just (inaudible). **Scruggs:** Are we able to see what those things are and put it somewhere? **Thompson:** I mean yeah, you could scale through them. **Scruggs:** The easiest thing is to collect the cards. But if you're saying you can't collect the cards, then the next... **Thompson:** It wasn't about me not collecting. I just didn't set a date. I mean, I set a date, she's calling, you know I said a couple days and it didn't happen. So, I just don't want to put a date out there and I still don't have it. But let's at least get through the safety forces. Let's see how they want to manage the cards on the gas. **Williams:** Well, that's a different process, we're going to set a date. **Warren:** Maybe we should set, we got a meeting after today and all the directors should be here. Maybe this should let them know that we want the cards. **Williams:** So Council, what's the date that you want all the cards collected? **Matlock:** What he said, just give them a couple of weeks. At the end of this... **Nikolic:** We had already discussed it by last Friday. **Scruggs:** Unless they lost it, they come to work every day. They can walk it over and sit it on his desk. **Williams:** Friday, April 12th, and I guess when he does his finance report. I can just make a statement from our finance committee to all the directors. And.

Councilwoman Davis, credit card statements you have been asking for. We had that as a follow up. Did you get all your statements? **Davis:** No, I don't have all them. I need the January, February, March of this year. I have the ones up to December 23rd. **Williams:** Okay, so, Councilwoman Davis, still needs January, February, and March card statements with the invoices and receipts. Those will be printed for Councilwoman Davis, Council President Nikolic, and Councilwoman Hardin. So, three copies and then those copies will be scanned in. And just forwarded to the entire body of Council. The next thing we have was the payment line report. So, we were asking for invoices and contracts for the payment line report. We don't have those right? **Thompson:** (inaudible). **Williams:** I think it's related to Mount Zion not having an invoice or contract. In the beginning, we didn't know what it was for. So, we asked for the invoices and contracts associated with the payment line sheet. I do believe we started with February. **Thompson:** Was that specific for Mount Zion? **Williams:** It was, but then there were some others. **Davis:** Yeah, for Aurora landscaping. **Williams:** There was a lot of I.T. Charges. **Thompson:** Okay... **Davis:** Bluetooth and waterproof headphones and things like that. **Nikolic:** That was all Amazon details. **Thompson:** An updated Amazon detail, (inaudible). **Nikolic:** I sent the email, and I think what I said in the email. Was that from what we can see now, we just see the different purchases. But we don't know who received the products. We don't know who had the card and made the purchases. **Thompson:** So, when you get this you can see it. **Nikolic:** Because it one card, which if Dee's card made all of those purchases. Then we need to know who received the goods. Because I know she didn't receive all of the goods on the Amazon 2023 list. So, even if it is one credit card. We need to know who received the product. We'd like to know who receives the products because some of them are repetitive, some of them are excessive. So, it's good to know or have the conversation about what they were used for. So, we can get a better understanding of if we need to... **Thompson:** You get this you can see them in detail. **Williams:** Does that say what they were used for? Or who received the products? **Thompson:** Yeah, it will show who received it, where was charge, and what department. **Nikolic:** For the Amazon as well? **Thompson:** Amazon goes on the credit card. So, you'll see the full details on the receipts in this packet that we agreed to give you. **Nikolic:** And we can see who used the eight pairs of reading glasses, for example. **Thompson:** That's the Mayor's, Dee bought them for the Mayor. **Davis:** Who's the person that keeps ordering the tea bags? **Thompson:** Dee orders everything on Amazon. **Davis:** But did they realize how much they've gone up? I mean, from \$50, to \$64, to seventy something, and in the same year. **Thompson:** Probably not, dee does all the Amazon charges. **Davis:** So, this is only Dee? **Thompson:** Majority are Dee, but sometimes ... **Davis:** Because they have disposable gloves. So, I would think that would be Police of Fire. **Williams:** So let me make a point when we keep raising the reading glasses. Eight pairs of reading glasses in one transaction. But, when we are paying into employees HSA. Why would we then additionally purchase with Village funds. Reading glasses that are for personal use? Like that to me would be an unauthorized expense. That's something they can put through their own personal account or their HSA. So, we are also then making payments with our Village funds for people's personal items. Because we don't know if those glasses are going to be here in the Village or somewhere else. **Davis:** February of 2023, home medic indoor three tier relaxation tabletop fountain with automatic pump, power switch, extra deep basin and natural river rocks and reflective lights. **Joseph:** It was back there in this conference room right here. **Williams:** Is there right now? **Joseph:** No, I actually have it in my office. But it was there when I got here. **Williams:** What date was that? **Davis:** February 10th, 2023. **Thompson:** How much was it? **Davis:** \$54.24, on February 10th, 2023 and there's the exercise bands. I assume that's recreation

for \$77, five sets of stretch bands. Detox tea, 60 teabags for \$77. **Warren:** Me, I just make a suggestion, and I apologize for being absent, but I wasn't well. When we reconcile and do whatever we doing with these credit cards. Moving forward with it, there should be an assignment of one card for the person that uses it. And then this way you have a track of the uses of that card. And if that person lets anybody else use that card. They've violated their credit card privileges. So, it should be one person to be in the Police Department, or in the Service Department or the Recreation. So, that there's not Dee having a card, this person having a card. Then you let me use your card I'm in a hurry. So, they will be just as responsible for the Village's cards as we have to be for our own. **Williams:** So, I'm glad you're feeling better last week. That's exactly what we discussed. Even one step further, we asked for all credit cards to be turned in. And they're only to be one, that was with Brian for now. This is not a long-term thing, for right now where we are. We want to know that only one person was making charges on a card.

Warren: Okay. **Williams:** So, all of them are supposed to be turned into Brian. So, we know where they are and who exactly is making a purchase. But we have to establish a process for that as well. **Howse:** So, the fact that Council is going through all those expenditures. That is a fiduciary responsibility of your Brian. To go through every expense and to recoup any improper spending. They shouldn't have to do that. They shouldn't have to go through these credit card statements and asking, who spent this? That really is your job to do that. And the fact that people are spending like that on a credit card. Like, I can see how that happens. Because if you if you're not being held accountable, they don't have any guidance. They're not being told that you can't spend it. So, that's why they're spending. They have no direction as far as what they can and cannot spend. That's why they're spending the way they are. And the fact that I don't care who orders glasses. As a resident, I pay for my own glasses. Why is that (inaudible)? That doesn't even... I'm just like, stunned. Like, that is a one-on-one requirement. That you are the gatekeeper, you are the one that tells people what they can and cannot do. You are the one to tell them what the O.R.C. says. That is, it improper expense, and it is your responsibility to get that money back. That employee must return it. It's not about, oh Dee, Dee's in charge. That's like throwing her under the bus. Well, she should have been having guidance to say, "Dee, that's an improper expense, you must pay the Village back." That's why the spending is like that. And the fact that, I feel bad. The fact that you Council are all separately having to look over expenditures. That is not your job. You are trusting him to do that. Like you guys are suffering, okay, you're responsible for that. That's not your job, he has staff to do that. You're just talking about 2023? As a resident, I'm appalled, tea \$74? Like what? Your credit card statements come in. They should be looked at every single time. People should be turning in their receipts. And you are the one who is supposed to be saying "this is unacceptable." You are the person, the one who said stop. But if they're not being told that, that's why they're spending the way they are. I would guess that we would probably have a little bit more money in our balances if all of that stopped. **Nikolic:** With this in mind, I know you're going to be sending out information about collecting the credit cards. So, with that, should we include some type of guidance on authorized spending. If there is O.R.C. code or you know, we mentioned last week, you know, no snacks. Do you have guidance as to what is a authorized expense expenditure in certain departments? Do you have guidance that you can provide when you collect the credit cards? As a way of saying, okay, we're collecting the credit cards because spendings have gone beyond the purview per this statute. **Thompson:** It's nothing like right now, in particular. **Howse:** Yes the O.R.C does (inaudible) is what it's called. You are not supposed to be using those dollars for personal gain, that's clear knowledge. **Nikolic:** You said O.R.C. section? **Howse:** You can just look it up under purchasing.

Under purchase order, you can look that up if you don't believe me. Are you telling me that the law is not put in place. That you're not supposed to be using Village/Municipal dollars for personal use? That's like 101... **Davis:** For example, February 28th, \$141.60 for Recon Fitness Bluetooth wireless earbuds with built in 54-hour battery, waterproof charging case with talk, text, and Bluetooth. I mean, it just goes... it's beyond. **Warren:** We don't know who purchased that. **Davis:** Sensodyne 62-inch tripod with selfie stick, expandable cell phone tripod stand with wireless remote. And phone holder and a compatible iPhone... it's just too much. **Howse:** Doesn't that makes you angry? **Warren:** And the question becomes, where is this stuff? **Williams:** So, what do we need specifically for this. This is Amazon, and whoever created this. They need to get us who purchased these things. Where are they currently? Which office has them? And what was their intended use? **Matlock:** Did they provide your requisition form or invoice? **Warren:** Worse than intended use, the real thing is authorized. **Howse:** (inaudible) which means purchase orders are not being looked at. **Williams:** The only reason I said intended use. Is because they haven't had any guidance on what's authorized or not. So that's why I said, what do they intend to do with that. **Warren:** Right, I understand. **Williams:** So the question is, where is it now and what was the intended use or authorized use? **Howse:** And how are you planning to recover it? **Warren:** And the thing is we like to see a proposed program guidance of expenditure. That council shouldn't produce, but the guidelines as far as finance. The Finance Director should create a purchasing authorization form and procedure. And let it be known by everybody this is the protocol for purchasing; it's got to be in writing. **Williams:** So, in addition to our new process. You would like him to provide some guidance on what is actually authorized? **Warren:** Yeah, he he should provide that to his employees anyway. Credit cards or any purchases, what is the procedure if we don't have one. If we do, then we'd like to see it so that we can understand. **Williams:** Okay, I just want to follow up on two more things. You were supposed to get us the total amount. Of what we need to pay out to the individuals that have been acting roles for the Fire Department. Do we have those amounts today? **Thompson:** No, not right now. **Williams:** You said you have had some discussions with them. How long are we going to continue to not pay them for the roles that they are acting in? **Thompson:** That's going to be determined in the end with the Mayor and Law Director. I don't know the transition pay... **Matlock:** When is the end? **Williams:** Right, we just need to have an executive session. **Thompson:** But I don't know if he accepted that agreement. I'll have to update with legal. **Williams:** Who are you talking about? **Thompson:** Mr. Schade. **Williams:** No, we are talking about the individuals you have acting. Acting Fire Chief Tapp, Assistant Fire Chief Dirocco, and the other acting assistant. When is the plan that you all put together? You are continuing to pay people for roles that they're playing at their old rate. When did you all plan to make them whole? **Thompson:** I don't think there was no plan to make them whole. Until this matter was resolved with Mr. Schade. **Williams:** Mr. Schade's pay has been decreased. **Thompson:** Are you saying that's a Mayor Gottschalk question? **Thompson:** That's what I told her. **Williams:** So, are you not supplying us the information on how much they need to be paid. Because you're waiting on them to determine ... **Thompson:** No, I told you verbally, that I had put in the budget about \$65,000. And he's giving me a running. I can have him bring it to the meeting. **Williams:** He didn't give us that amount. **Thompson:** It was just verbal. It was about \$65,000 on the last... **Williams:** We need that broken out from the time period from when to when, what is the hourly rate, and how did you arrive at \$65,000 for these three individuals. **Thompson:** I'll tell Tapp to bring an updated sheet. **Williams:** Thank you because we can't just throw an amount into the budget. That has to actually be done individually. **Hardin:** It's time for a history lesson. You're absolutely correct,

citizen Karen. This is not the job of a Council what we're doing. So, I took it upon myself as chair of the Human Resource Committee. We're going to have to almost run the place for a minute. Brian, I asked for an organizational chart of the entire staff. And along with that, we should have job descriptions for every position here. We should have attendance, policies, documented disciplinary procedures, annual evaluations. We've talked about it a number of times. Service awards, attendance awards, commendations, maintenance of personnel files, initial training procedures when someone comes on, continuation training, and follow up training. That is the bare bones for running a grocery store. And how we have managed to bumble and stumble this far is just absolutely amazing. So, I'm willing to do my part to help get this started. Do you agree? Maybe we should start with the organizational chart. And just put it put things just in in a logical order. Does that make sense? **Thompson:** Sure. **Hardin:** So, did you have an employee had an opportunity to work on the organizational chart that I asked for? **Thompson:** I was working on the pay ordinances. But our real audit started. So, I had to get some information they need. **Hardin:** Okay. **Williams:** What audit started? **Thompson:** Our normal two-year audit. **Williams:** For what year? **Thompson:** 2022-2023. **Williams:** Who's conducting it? **Thompson:** The same auditors from last year. **Williams:** Julian and Grube? **Thompson:** Yeah. **Williams:** They're not state auditors, they're contractors. **Thompson:** Yeah, that's what I was getting to, they're contracted with the state. **Williams:** So, Julian and Grube started our audit for 2022-2023? **Thompson:** Yeah. **Williams:** When are they expected to be done? **Thompson:** They didn't give me a timeline. **Williams:** In this audit and every audit, we would like to have an extra conference. We may not all be able to attend, but those who can attend. So, do not decline our exit conference, please. **Hardin:** So, I just thought this was a great time. As I watched and look at everybody's expression. And a comment that we shouldn't be... we're going to do this because it has to be done. **Williams:** Temporarily. **Hardin:** Temporarily, so, this is this is what I'm asking. And I'm thinking as a Council to get this get this on track. Starting with, we need to know everybody here. Do we have anything like that? Do we have job descriptions? **Davis:** I got some myself, we printed off some. **Warren:** I'll tell you, one of the things is that the Police Department. Had submitted an organizational chart and the Fire Department. This was a kind of easy because it's only three full time. But I think that the Service Department submitted one too with their budgets. So, the only one that hasn't is Building and... **Hardin:** Administration. **Warren:** Right. **Hardin:** Alright, so, Brian, you promised it to me Thursday, I called you weren't here. So, do you have someone that can work with me to get it together? You think that the Mayor would allocate Dee? I don't know, but this needs to be done ASAP, and I'm willing to help. Some of this is within my work experience, but this is... the bottom line is there's no accountability and this is why. And as long as there's no accountability, of who comes out of what door, who go in that door. That was working, but now it's affecting the moneys. And now we got a problem, it has to stop. Brian I'm trying to make it easy on you. **Matlock:** As soon as possible, because we still trying to figure out people's salaries. We got to get this stuff together. It's being put on hold because of the fact we can't get the information that we need to start this up. **Williams:** Have all the directors that were supposed to update job descriptions. With positions, scheduled hours that that person works, and the amount of pay that that position received. **Thompson:** They have all the job descriptions. But they don't have the hourly rate, etc. **Williams:** We asked for that in December. We ask you to add the hours to every position. Because we have a difficult time knowing who's here when. So, we asked for every job description to also include your scheduled hours. You know, for Police that may look different, but what are the hours? At least they can say, there are 7 sets of shifts. There can be something

there and then we ask the rate of pay for that position and what that range is. That way everything is in one place for now on. **Hardin:** You asked a question, and so could you end it with, what time frame? Brian, could we have, just start with the organizational chart. We need to know who's here. Do you think we can have an organizational chart by Tuesday of next week? Let's go there. **Thompson:** I mean, the big ones are pretty much done. Like you said with the Police and Fire. **Hardin:** We got those, I know that. But... **Thompson:** A week's time is fair enough for these individual departments. **Scruggs:** To try to aid in the question. Councilwoman Hardin, can we just...in the meeting, the directors that show up. Ask them to provide an organizational chart for their specific department. They provide it, we give them the deadline. It needs to be sent to Ms. Joseph, Brian Thompson, and all of us. So, we can take that and put it into a bigger one. Is that easier? Because the directors know who is where, and they could do just their department. And then you would only have to really worry about initially just your department. **Hardin:** And we want it by Tuesday of next week. **Williams:** Tuesday, June 16th? **Hardin:** Yes. **Scruggs:** We can ask tonight, correct? And then follow up in email form. **Williams:** Would you mind remembering to ask the directors? **Scruggs:** Sure. **Hardin:** Yes. **Williams:** Alright, the other thing that we have requested do you have tonight. We asked for a summary of all end-of-year expenditures to Mount Zion, Aurora landscaping and Andrew Sparks landscaping from 2008 to present. Did you pull that? **Thompson:** No. **Williams:** We also went over all of the contractors and some 1099's for 2023. And there were some we weren't sure what services they provided to the Village. Did you follow up on those? **Thompson:** No, I just had to put those in a spreadsheet, reiterate the ones we talked about. **Nikolic:** I'm thinking as we went through those vendors. Maybe we should have, and I don't know if we already do. An approved vendors list, right? Once we look, you know, we just can't have appeal for any vendor. Council will start a list of vendors that are approved by Council. As we've seen the expenditures that they've been charged. And then if there's a new vendor. They need to come through an approval process of what their services will be. If it's an inspector at the building, whatever it is. A new vendor would have to get on our quote unquote approved vendors list. Right now, we know we have our usual suspects that we always use, that we know and trust. You know, they go on, and then some others, we may have to take off. I don't know if there's some improprieties that's found. But, you know, we may need to just start working off of an approved vendor's list. So, it's just a thought... **Williams:** Council discussion... **Scruggs:** I agree. **Hardin:** Are you suggesting that we draw this list up? **Nikolic:** Well, we could have already started because last week we went through every single vendor that we had last year. And outside of the landscaping and some other ones. I mean, we kind of got an idea. But, you know, for like the summer camp if there's a new person. You know, before they become an approved vendor. Like, have they had their background checks done, like, you know what I mean? So, you just can't start paying someone as a vendor for the summer camp. As an idea, so it's just to think. We've had this list of vendors that we went through last week. And we didn't know some of them, I know, I didn't. **Hardin:** Here's what I'm hearing. We're doing a lot of work here. **Warren:** We're going too deep into it. **Hardin:** No, wait, let me finish though. Johnny, if we leave it cleaned up here, it's worth it. So, your idea of a vendors list is great. But you have to know we don't have anything in place. Because you mentioned a background check. Do we do a background check now? **Thompson:** I don't remember. **Howse:** You're required to, you're supposed to go on the state website. To make sure that any vendor that you do business with, they do not owe federal state. **Hardin:** Okay, so here we go, alright. So, we'll take it on, I'm serious... **Williams:** We'll create a process. **Hardin:** We'll create a process, alright, add that to the list. **Nikolic:** Yeah, especially with summer camp

kids. It's the first thing that popped in my mind. But I didn't, you know, for other vendors, if they are, you know. Because, you know, we've had someone here talking about a contractor, I don't know. **Hardin:** And most of us, we probably would not have to reinvent the wheel. Because we can probably contact other communities. **Nikolic:** Right. **Williams:** Okay, we got about 30 minutes left, so I added that to the list. I know we need to talk and work through a process for an approved vendors list. We need to circle back to the finance report. So, you can see what you would like to be added to it because you weren't here earlier. We also have an executive session scheduled. We have it on the agenda, right? Okay and, lastly, before we move on, if no one has anything else, the 941 report came through. So, I like to, I don't know if anyone had time to review it. But I did and so I had Ms. Joseph provide some background on 941's and what that form looked like previously. And so, some of the questions were just... So just for context, 941 is an IRS form 941. It is the taxes that we need to report for our payroll to the IRS. It has to be done quarterly. We have to file it within 30 days, four times a year. So, it's a very strict time frame. If we do not file, we have to have a reason for not filing on time. Otherwise, we assess penalties and fees. And those are ongoing, and they incur ongoing until we submit that report. So, today we got a 64-page report. And I wanted to be able to... So, one question I had in looking at that. I saw that some of these forms have social security wage or social security? I thought we did PERS and not social security. **Thompson:** Anybody that's part time in Fire Department (inaudible). So, they paying into their pensions at the full-time jobs. So, only those part time are the social security. **Williams:** Okay, so that would be only fire? **Thompson:** Yes. **Williams:** Okay. **Howse:** I'm sorry, what did you say? **Thompson:** The part time firefighters, we don't make contributions for them. Just the... **Howse:** So, the part time firefighters, you say you don't contribute towards, they don't have PERS withheld from them? **Thompson:** No, just Social Security, because they got their normal contributions for the police and fire pension in their own cities. **Williams:** Do you have a follow-up question to that? I don't want to go on before... is that correct? **Howse:** If I'm hearing you right. You said the part time Firefighters who contribute to another entity full time. That you are deducting social security from their checks? **Thompson:** Yeah, not pension. **Howse:** So, you do know the Firefighters are not supposed to be contributing in two things. They already contributed to Ohio Public Police and Fire. So, you're saying that not only are there being contributions being made at another entity. But you are paying social security into fire? **Thompson:** We take it out their checks. We don't take none of the pension out that's happening at their home base, where they have their full-time jobs. So, we just take our social security, we're not taking out pension. **Howse:** Do you have something in writing that says that's what you're supposed to do? **Warren:** Or allowed? **Thompson:** I'm sure we can check the O.R.C., but you're not supposed to take any pension out for them. We don't make contributions... **Howse:** For your part-time fire? **Thompson:** Yes. **Howse:** And so you're saying part timers who have pension elsewhere. Such as Police and Fire, that you're taking out social security? **Thompson:** Yes, here at the Village. **Howse:** Okay. **Nikolic:** Do we pay PERS on part time employees at all? **Thompson:** Yeah, different departments. **Warren:** We are part time, and we get it. **Howse:** All employees are supposed to have PERS taken out. Unless they were grandfathered in. If they were here way back before they enforced that. Some of you Council experienced that. At some point, long time ago it wasn't required. Now, it's required for every employee that pension, some sort of pension, whether it's OPERS or Police and Fire. **Davis:** What about boards and commissioners? **Thompson:** Yes. **Davis:** No, we do not, boards and commissioners I've never got. 12 years ago, at least, the PERS were cut from the boards. I'm talking about, like, Zoning, Planning, Architectural Board review. They don't get PERS taken

out, there's no PERS at all. We lost those years ago. I was just told it was voted on, that we were no longer going to receive those. But those PERS have been gone, it's got to be 12 years by now. Because it's been gone a long time for our boards, commissioners, and things like. **Williams:** So, you (inaudible). **Davis:** Saved \$50 per (inaudible), once they take out social security, Medicare, and state tax; not federal tax. **Williams:** In our public payroll how do they not have PERS? Unless you (inaudible). **Thompson:** It would have been a different rule for them. **Davis:** It was taken out at least 12 years probably now, it's been dropped. **Thompson:** I'll reference that one (inaudible). **Davis:** Okay, because we started with those. But down at the halfway through they stopped. **Matlock:** Is it that you could only do PERS or Social Security? **Williams:** But if you're paying them as a public employee. You should be getting PERS taken out. **Matlock:** I mean I get PERS, but I get Social Security. Because that was a big thing that I was questioning. You know when I came on here. Like the PERS that was being taken out. You know, can I do PERS and get Social Security. And they said it wouldn't affect it. I mean, the Social Security office told me that it wouldn't affect it. But they told me to check the PERS out. After five years or six years or whatever. I guess it'll come into your social, however it is. You can get like a... **Williams:** Okay, so just going back to the 941's. I'm seeing that you have 941's ones for 2023. That was just filed February 22nd, 2024. And if we have to file them every quarter. We definitely would have penalties assessed for at least 2023. Is there a reason why these were late? **Thompson:** Yeah, for a period of time, it kind of happened through Covid. **Williams:** Covid doesn't have anything to do with it. **Thompson:** No, I'm just giving you a timeline. Back around that time, the payroll person had left abruptly. I had took it over, I had to run payrolls. Like nobody came to work with the country in turmoil. But, they were filed late, there's a repeal process for the penalties. The IRS, you know, just told us to get them in. And then we can, you know, write something to them. In terms of telling them what happened during that time period that they weren't turned in on time. **Williams:** What would be your reason for not reporting? Because you have 2022 that you just did in February of 2024. So, that's two years later. **Thompson:** Well, what happened was, we always made the payments. So, there's large credits sitting out there. They got large credits because we always made the payment on the payroll. Never made our IRS payment. **Williams:** Oh, it clearly says why you're receiving this letter. "We've credited payments and other credits to your tax account for the tax period shown below. However, we haven't received your tax returns." That's because you send the money, they credit the payments. And then you're supposed to file the return. So, they know where to attribute those monies to. **Thompson:** Right, we didn't get them in on time. **Williams:** Not just in time, we're talking about 2022 you just did a month and a half ago. **Thompson:** Yes. **Williams:** So, what would be your reasoning as to why, that they would approve. As to why you're so far behind in filing these 941's. **Thompson:** Just going on with the Covid, we changed systems to kind of balanced reports, change of staff at the time. Those are some of the top three things that happened. That caused me not to get those in. **Williams:** Well, in 2019, which was before Covid, those weren't filed either. So, they have 2019... **Thompson:** Actually, 2019 was okay once we actually talked to them. **Williams:** Well on here their saying you did. **Thompson:** Yeah, on that statement, but when we talked to them. They said 2019 was okay and to send the other years. **Williams:** So, you are aware that we will be assessed penalties and fees for these late filings, right? **Thompson:** Yeah, if they don't accept the repeal letter or whatever it says in there. **Williams:** You're trying to send a letter, so what they say is that. "If you think you have reasonable cause for penalty relief, send us your request in writing." You can find information on penalty relief, including the reasonable cause at www.IRS.gov. So, what would be your reasonable cause for not filing all of these from 2019 to

this year? **Thompson:** I'm going to write it up and see what actually happens. From the highlights I just told you. Give them the relief appeal letter and see if they accept it. **Williams:** And if they don't accept it? **Thompson:** They may be subject to penalties for sure. **Williams:** Who may be subjected? **Thompson:** The Village. **Matlock:** No. **Williams:** So, are you aware that if they do not accept it. And you will responsible for filing those. They can attribute those penalties and fees directly to your pay? They can recover those funds, are you aware of that? **Thompson:** Yes. **Williams:** Okay, so do these haven't been file on time in a few years. When did you first become aware that they weren't being filed on time? **Thompson:** We got the letter back in August of 2023. I know some time before that. I knew they weren't being filed timely. We were trying to reconcile them with the system switch over. So, we have a real challenge to the system. So, it was quite some time a couple of years. But we got to it on August 2023 last year. **Williams:** And so, for a couple of years we just did not choose to continue to file? **Thompson:** I didn't choose, we were just trying to get everything reconciled. So, just going through the process. **Williams:** What were you reconciling? **Thompson:** You have to take the quarterly reports and reconcile them. You know, get the numbers on those quarterly reports in payroll. **Williams:** So, tell me, when we do payroll, right. Does it not, give you a report at the end that tells you what you should put? **Thompson:** Yeah, you get the quarterly, monthly. You got tie it into the quarterly because those are due every quarter. So, you have a yearend summary. **Williams:** Just to be clear, you also have the aid of the payroll system. That will tell you what numbers need to go into this 941? **Thompson:** Yeah, in the quarterly report. **Williams:** And then you just still weren't filing. **Thompson:** We were processing them for a reconciliation. So, they didn't get filed in time. **Williams:** Okay, I just want to be very, very clear about this process. Because this is a part of your duties, right? Regardless of whether you have someone specifically to do it or not. We have to be in compliance with the IRS. So if you don't have a person then it falls on you, correct? **Thompson:** Yes. **Williams:** Are there any other questions around the 941's? **Scruggs:** I have a question, for the 941's it's four times a year. What months do they ask for? **Thompson:** January, February, March, April, May, June, July, August, September. **Matlock:** No. **Williams:** So, the first quarter is due by April 30th. Then the second quarter I believe is due by July 31st. **Warren:** So, each one is due up 30 days after the quarter. **Williams:** Yes, and then it should be October 31st, I think. **Scruggs:** And then the last one is January? **Williams:** Should be December 31st. **Thompson:** Yea, it ended the first month in January after December. For the last quarter of the year. **Williams:** Yes, I'm sorry, yeah January 31st. **Scruggs:** Thank you. **Davis:** The expense ledger that you gave us from December 1st, 2023 to December 31st, 2023. And it has in here that we paid Mount Zion. Because I just realized, at our last meeting we had paid Mount Zion \$1,297.50 in February. But it has it in December 31st, 2023. You paid them also \$1,297.50; it just says Mount Zion service fee. So, did we pay them that December and February, the same amount? **Thompson:** I don't think it's the same, is it the same amount? **Williams:** It's the exact same amount. **Davis:** It says \$1,297.50, yeah the exact same amount we paid in February. So, why did we pay them also December 31st? **Thompson:** Yeah, we only paid them once that amount. So, I don't know, let me see. **Davis:** Because we just had February. But then I just saw, looking at those things. That December 31st we paid the exact same amount. **Williams:** That's the expense transaction ledger, so we paid. **Thompson:** It was only once; I have to see the report we have. **Williams:** We should be able to see more clearly when we get the end of the year report for them. **Thompson:** Okay. **Williams:** Oh I do have another question for you. Who filed the 941's for 2008 to 2018? Because those were included in the compliance list. **Thompson:** We had a part time payroll person that would file. **Williams:**

Who would be that individual that file? **Thompson:** (inaudible) Taylor. **Nikolic:** Quick questions about the expense report from for the first two months. I just had a couple questions. Senior enrichment, the the month to date expenses negative, \$1,500. But I don't understand why it's negative. We have only... **Davis:** Ten thousand something budgeted this year. **Nikolic:** Right, so the budget is \$10,000. You have \$1,500 in the negative, but you only spent \$9,000.

Thompson: That's from February? **Nikolic:** It's from one 1/1-2/29/24. **Thompson:** Do we have \$10,000 in the appropriation column? **Nikolic:** In the budget. **Thompson:** You looking at year-to-date or month-to-date on the expense? **Nikolic:** Month-to-date expense is negative, and then the year-to-date expense. Okay, so, that would be both months. So, in the month-to-date it's over what you're allotted. Can you explain why it is negative? I'm just trying to figure it out.

Thompson: On that line item? **Nikolic:** Yeah. **Thompson:** It would have been, I don't know where the expense was. Can I see that report? **Nikolic:** And it's the same for the senior. Family enrichment and senior enrichment, both of those are negative. **Thompson:** The negative in the month-to-date will probably be when you make adjustments. To maybe a different line item it will be negative. So, it's probably expense adjustment. We reclass the expense to be coming out of that line item. So, you have to see the other side of the transaction. That's why that was going to look like that. **Nikolic:** And the same thing with the \$4,500 under senior enrichment? Was the \$1,500 the reclass for the... **Thompson:** The reclass under the senior for the \$1,500. **Nikolic:** Was that for the fitness instructor? **Thompson:** I don't have the exact details to see, but...

Nikolic: And then the \$4,500 was for Billy DiNardo under senior? **Thompson:** Senior was the one that had \$1,500. But I have to see my detail for the expense reclass to see what it was. **Nikolic:** Okay, but just to know the negative is a reclass. So, that's the amount that was taken from there and put into another fund. **Thompson:** Yes, on that particular one, yes. **Nikolic:** And the \$1,500 was that moved to employee wages? **Thompson:** No, it wouldn't have been wages. I'm sure, I have to see the other end of it, I have to run details. **Nikolic:** Okay, and that the \$4,500 that went to Billy DiNardo. That was removed altogether because you said that concert was canceled? **Thompson:** Yeah, it was canceled. It was just used for Village promotional, for his editing of the video for the Mayor. **Nikolic:** But there was still \$3,500 for a concert in February. **Thompson:** Yeah, I mean, he would have been still, I have to run... **Nikolic:** But it was just a concert, and it didn't say Billy. It just said a concert in February. I don't, did anyone attend a concert in February? **Thompson:** No, how much is that? I have a look back... **Nikolic:** The concert was... **Williams:** So, this is why we want to make sure we receive the expense details. So that when we have an event. You know what the cost are attributed to. **Thompson:** Yeah. **Nikolic:** So, \$3,750, oh, no wait. Okay, hold on, no my mistake, that was what was budgeted. **Thompson:** Okay. **Nikolic:** An unexpended balance, okay, my mistake. No concert, it was budgeted though, so my mistake. **Davis:** I have the same thing, your transaction ledger. This is for February 1st, 2024 to the end of February. But for Carlean, you got on it here. We paid her \$3,877 for February. Now, if you add that times 12, it's 46. Almost \$47,000 and we only approved I think, she's only got like \$39,000, if that. That's last year's wages, I'm talking about wages for her. So, why did we give her almost \$4,000 for one month. When we only, and that would be like \$47,000. When we're already over budget for her amount that she's supposed to get. **Thompson:** I mean, that's a summary in itself. I'll have to run the details of her wages way into her budget for those couple months. **Davis:** We also asked that she no longer get paid as a fitness instructor, correct? So she was told that? **Thompson:** Yeah. **Davis:** So, I don't want that added into here. Because we have monthly amount, then we have... Why do have monthly and then you have biweekly separate different amounts? What is that extra amount that she gets?

Because it has \$3,200 for her monthly payment and then she has \$309. **Thompson:** Yes, she gets paid monthly. So, it may have been a person on there that's getting biweekly. So, I have to run the detail. **Davis:** This is February... **Thompson:** Yeah, Carlean was... **Davis:** She's the only one there. **Thompson:** Carlean is monthly and if it is a normal employee they get biweekly. So, she gets paid once a month. But her fitness classes go under miscellaneous contractual. They wouldn't be in the wages. **Davis:** Okay, well, this would be her area. But I don't understand why she gets an extra three hundred and something. **Warren:** And we can't pay somebody else under her name, so... **Davis:** That's why I said, how could you... **Thompson:** Let me see the reports. **Davis:** Go ahead, I have it circled. Because I was multiplying times twelve, and we're paying like \$47,000. If she gets the \$3,800 a month, we're overpaying her already. **Thompson:** That may be Ms. Tubbs under there, I'll have to check. That's not her wages, (inaudible). I'm pretty sure that's Ms. Tubbs under there Mrs. Davis, I'll run the details. **Howse:** I have a question. **Williams:** I want to make sure we have time to go into our executive session before we adjourn. Can you it when we do his finance report? **Howse:** Sure. **Williams:** Okay, before you head out. What are you standard business hours for your role specifically? **Thompson:** My department is under 9am-5pm. **Williams:** Including you? **Thompson:** Yeah. **Williams:** Can I have a motion to go into executive session?

Motion to enter executive session to consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of the public employers made by Davis seconded by Warren

YES VOTE: Warren, Scruggs, Hardin, Matlock, Davis, Williams

MOTION PASSED

Enter executive Session

Motion to adjourn executive session made by Scruggs seconded by Davis

YES VOTE: Nikolic, Warren, Scruggs, Hardin, Matlock, Davis, Williams

MOTION PASSED

Exited executive Session at 7:02p.m.

Williams: May I have a motion to adjourn?

Motion to adjourn made by Hardin seconded by Nikolic

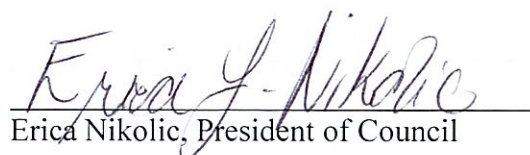
YES VOTE: Nikolic, Scruggs, Hardin, Matlock, Davis, Williams

MOTION PASSED

Adjourned at 7:04 p.m.

Approved 1.28.25


Tanya Joseph, Clerk of Council


Erica Nikolic, President of Council