

ELM RIVER TOWNSHIP SPECIAL BOARD MEETING
DECEMBER, 13, 2012
FIRE DEPARTMENT FUND (S) REVIEW:

The special meeting of the Elm River Twp. Board was called to order at 7:00 p.m. by Supervisor Shawn Hagan. Board members attending were Robert Sibilsky, Lisa Saatio, Shawn Hagan, and Richard Trudgeon. Absent: John Kelly.

PURPOSE: Supervisor Hagan relayed the intent of the meeting which is to provide clarity of expenditures and revenue for the Fire Department which has two main budget items, the Fire Truck and Fire Operations.

FIRE TRUCK FUNDING:

The first item discussed is the fire truck purchase fund. Discussion included a review (see attached spreadsheet) of the revenue and expenses showing the sources of the fund and the ACH withdrawals covering the payments up until the current time per schedule. The loan amount and federal grant along with down payment monies and MBIA contributions were identified. The intent with understanding the Fire Truck Funding is to ensure that the millage started in 2006 is used entirely for Fire Truck payments. Further by understanding where this fund balance was as of the end of our last audit, we can establish the Fire Operations Fund Balance. Understanding both of these fund balances is essential in preparing next years budget and determining if another Principal payment can be made ahead of schedule.

Treasurer Saatio talked with the County Treasurer Kathy Beattie on both millaged items from the revenue side. Some follow-up work is necessary regarding past payments to ERT and the methodologies, timing and processes by which PILT, CF, Delinquent Taxes, Dividends and Interest are disbursed to each account (Truck and Operating).

Two additional items being researched for clarification include the \$5000 support from either the General Operating Fund or from Fire Operations for the down payment on the Fire Truck and the extra payment with the liquidation of the Citizen Fire Dept CD (\$7,751.00).

Understanding these issues will allow us to square up the Fire Truck Account and know what balance we are carrying forward.

FIRE OPERATING FUND:

To better understand the fund balances on the Fire Operations side, month by month expenditure reports by line item back to the 2010 audit. Further, to improve the lines of communication, and ensure the Fire Department understands where they are on budget, a procedural plan will be implemented with the acceptance of these minutes, requiring either the Fire chief or Fire Treasurer to sign off on invoices to be processed by ERT. The Chief was given a list of the expense and revenue accounting codes we use after the

meeting. By getting department signoff prior to processing invoices, the Department can track their expenses parallel to ERT and understand at any point in time where they are relative to budget. Once tracking of expenses and revenues has been reviewed back to the last audit, the Fire Fund as reported in the audit can be split according to Fire Truck balances and Fire Operations balances. Another point of improving communications will include a meeting in early march of 2013, where the Supervisor will meet with the Chief to prepare a Draft Fire Fund Budget.

A training expenditure of \$7319.75 for training in 2010 is being researched. Also the Clerk has contacted our insurance agency for a breakdown of the expenditures for both the General Fund and the Fire Dept.

To ensure proper accounting procedures are followed as errors are uncovered, Treasurer Saatio has arranged for Debbie Bradford with Rukkala/Negro Associates to meet with her in early January (2nd we believe). Ms. Bradford will also be preparing a quote for doing an audit of the books at ERT from our last audit through 3/31/13. It is anticipated that this audit will occur over the summer of 2013.

COMMENTS: Joe Siller: Joe expressed appreciation for the open dialogue related to the funding concerns.

ADJOURN: Motion: Hagan/ Saatio, all voted aye.

Robert L. Sibilsky, Clerk

Shawn Hagan, Supervisor.