

## BUDGET COMMISSION

The Geauga County Budget Commission met in special session on Monday, October 29, 2018 at 5:02 p.m. at the Russell Town Hall, Novelty, Ohio. Present: Geauga County Auditor Charles E. Walder, Chief Deputy Treasurer Caroline Mansfield representing Geauga County Treasurer C. P. Hitchcock and Geauga County Prosecutor James R. Flaiz  
Also Present: Deputy Auditor Beverly Sustar and Deputy Auditor Kate Jacob.

### Prior Minutes

Motion by Charles E. Walder, seconded by James Flaiz, to approve the minutes of the October 15, 2018 regular session.

Voice vote: Three ayes. Motion carried.

### 2018 Amendments

#### Hambden Township – Amendment #3

Motion by James Flaiz, seconded by Caroline Mansfield, to amend the Hambden Township Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

##### General Fund

Decrease other source revenue 11,478.00, from 146,713.00 to 135,235.00

##### Special Revenue Funds

Decrease Park Fund other source revenue 1,500.00, from 21,620.00 to 20,120.00

##### Capital Project Funds

Add Fund 4401 - SIB Loan, and increase other source revenue 454,000.00.

Add Fund 4901 - Miscellaneous Capital Project, and increase other source revenue 12,978.00,

New General Fund Total:	\$ 487,896.77
New Special Revenue Funds Total:	\$1,843,053.19
New Capital Project Funds Total:	\$ 730,182.40
New Total 2018 Certificate:	\$3,061,132.36

Voice vote: Three ayes. Motion carried.

#### Russell Township – Amendment #2

Motion by Caroline Mansfield, seconded by Charles Walder, to amend the Russell Township Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

##### Special Revenue Funds

Add Fund 2902 & increase other source revenue 32,740.00, from 0.00 to 32,740.00

New Special Revenue Funds Total:	\$7,878,787.00
New Total 2018 Certificate:	\$11,053,111.02

Voice vote: Three ayes. Motion carried.

**Geauga County – Amendment #14**

Motion by Charles Walder, seconded by James Flaiz, to amend the Geauga County Official Certificate of Estimated Resources to reflect the following changes to revenue previously certified:

Special Revenue Funds

Increase Transportation Administration Fund 2035 other source revenue 76,000.00, from 1,420,846 to 1,496,846.00

New Special Revenue Funds Total:	\$ 87,523,611.56
New Total 2018 Certificate:	\$155,422,692.35

Voice vote: Three ayes. Motion carried.

Mr. Walder addressed those in attendance. He explained that the Budget Commission has been deeply involved with the Russell Township 1545 Park District submission of their Budget. Mr. Walder has met several times with members of the 1545 Board. In the interest of bringing the rest of the Budget Commission up to speed, and to explain the process that has been going on, Mr. Walder created a Power Point presentation.

Mr. Walder explained that the park district has two funds, one P10 Fund for operating expenses and the other P40 is a voted levy fund for the acquisition of land. He explained that the operating funds were derived from inside millage which had been part of the allocated unvoted millage allocated to the township. After collection year 2014 the unvoted millage was reduce by the township until inside millage was eliminated in 2017.

Mr. Walder explained the calculation of revenue based on millage. He also explained how the allocation of inside versus outside millage should have been calculated.

Mr. Walder presented the 2019 Budget as submitted to the Budget Commission and pointed out multiple mathematical errors in submitted budget. Also presented were the allocation of inside and voted tax revenue, based on figures calculated by the Auditor's office. The submitted budget did not apply the correct method for allocating revenue to each of the funds. Because of the misallocation of revenue the beginning balances become suspect.

As a result the Budget Commission unanimously voted on August 14, 2018 to table the budget. They gave the park commission approximately two weeks to come back with better numbers. Mr. Walder met with board members on August 17, 2018 to assist in rectifying their budget numbers. Multiple spreadsheets and data sheets were presented to the park board.

A second meeting was held on August 28<sup>th</sup>, to allow for the correction of budget numbers. A recommendation was made to hire an outside accounting firm to clean up their books. Unfortunately the Budget Commission has the requirement to complete budget hearings by September 1. Because the park board indicated that they would not be able to complete their work in less than two weeks, the Budget Commission voted to not approve the Park Budget for 2019.

Mr. Walder continued to correspond and meet personally with Scot Wayt, chair of the park board, to assist with the reconciliation of the actual revenue reporting, beginning balance correction and budget forecasting. After an official request of the accounting report was denied, the park board counsel demanded a meeting with the Auditor.

Questions were taken from the attendees.

Mr. Walder proposed that the Geauga County Budget Commission elect to advise the Senior State Auditor of the Ohio Auditor of State's office that there is no verifiable evidence to support the beginning balances of the 1545 Russell Twp park District and that as of this date, the bonds required by ORC 1545.05 and ORC 3.30 have not been received by the Auditor's office.

A Resolution to that affect will be prepared and signed by the Budget Commission

Printouts of the thirty slides of the presentation are attached and are being included as part of the official record of the Budget Commission minutes for October 29, 2018.

Being no further business to conduct it was moved by Caroline Mansfield to adjourn the November 5, 2018 regular meeting at 10:06 a.m.

Voice vote, Three ayes. Motion carried

Respectfully submitted,



Charles E. Walder, Auditor  
Secretary/Budget Commission

