

**MINUTES
BUDGET/FINANCE COMMITTEE
MAY 01, 2018 5:30 P.M.
CONFERENCE ROOM**

MEMBERS PRESENT:	Emelie Eaton Scot Stokes	Richard Klose Bruce McGee
OTHERS PRESENT:	Tom Nelson	Bethany Langve

Chairwoman Emelie Eaton called the meeting of the Budget/Finance Committee to order at 5:30 p.m.

The next regular Budget/Finance meeting will be on Tuesday May 15, 2018 at 5:30 p.m.

The **minutes** of the April 17, 2018 meeting were reviewed. Richard made a motion to approve the minutes, Scot seconded the motion, all in favor, motion passed.

Claims entered through 04/26/2018 which totaled \$142,124.04 were presented to the committee. Bruce reviewed both the Claims Detail Register and the Check Register to ensure accuracy. The Committee questioned what we pay Charter for because it states Modems in the description. It was explained that this is for internet services. The Committee stated that some of the descriptions on the check register and claims detail are not adequate to know what they are exactly for. The Clerk/Treasurer stated she will work with Accounts Payable on that. Bruce made a motion to approve the claims, Emelie seconded the motion, all in favor, motion passed.

One **purchase requisition** was presented. The purchase requisition was from the Library to change out the lighting in the Library to LED lighting. There was a brief discussion by the Committee regarding the amount of money that would be saved annually going to LED lighting. The electrician is going to do all of the rebate paperwork for the City. Bruce made a motion to approve the purchase requisition for LED lighting in the Library, Scot seconded the motion, all in favor, motion passed.

The **Comp/OT report** for PPE 04/22/2018 was reviewed by the Committee. The Committee had no questions regarding the comp/OT for PPE 04/22/2018.

The **Payroll Registers** for PPE 04/22/2018 totaling \$172,058.95 was reviewed by the Committee. Scot made a motion to recommend Council approval of the payroll register, seconded by Richard, all in favor, motion passed.

Clerk/Treasurer Comments:

Bethany stated that she has had discussions with both the Auditors and Bond Council regarding excess reserves relating to water debt. The City currently has excess reserves for water debt and these reserves will be used to pay off current outstanding water debt. This will lower the amount of debt the City has and help with the paying of the SED Basin project. Once the amounts have been finalized and she has gone over everything and received the Mayor's approval it will go to council. Bethany explained that the interest in the City's STIP accounts had been being direct deposited into the City checking account. The City checking account accrues a much lower interest rate versus the STIP account. Bethany worked with the Mayor and received his approval to have the STIP interest rolled into the STIP account balance to gain more interest. The Committee asked what STIP stood for. Scot googled it and stated that it stood for Short Term Investment Pool. The Committee asked if the money in the STIP account could be used for anything. Bethany stated that the funds must come out and be deposited into the same fund accounts they came out of. You cannot remove Enterprise Funds and put them into General Fund.

Mayor's Comments:

The Mayor stated that he had requested Sam Painter, City Attorney, attend the next Council meeting to further explain the Purchasing Policy. The Committee agreed that Sam needed to be present as our current purchasing policy is not working correctly. The Committee feels as though City staff is using loopholes in the purchasing policy to get around certain checks and balances. The Mayor stated that this is not happening anymore. The Committee stated that these issues may not be happening under the current Mayor but what happens when the next Mayor comes in. The Committee stated that none of the Council, City Staff or Mayor will be here forever and an updated policy needs to be put into place, so these things don't happen in the future. There has already been discussion in previous Budget Finance Committee meetings about getting a new policy in place. The Committee feels that a discussion needs to be put onto the next Council Workshop regarding the purchasing policy. Either the current one needs to be repealed and a new one written or get a new policy written and just replace the current one. MCA 7-6-4301, which is attached to these minutes, was read aloud to the entire Committee. The Committee has been told that if a claim is under \$5,000 nothing can be said about it. That is not acceptable by some of the Committee members. The Committee asked when the last revision of the purchasing policy took place. The last policy revision was in 2013 and everyone agreed that it was time to review the policy. The Committee asked if the previous Mayor checked to see if staff was following the purchasing policy. The answer was no, the previous Mayor did not maintain any checks and balances. When the updated purchasing policy was presented to Council, last time, there was no discussion prior to approving it. The Mayor stated that the CAO and staff did what they wanted because the previous Mayor didn't maintain any checks and balances. The Mayor stated that the CAO signed PO's, hired people and set the Council agenda. That was illegal because the Mayor was supposed to do that per the Charter. The Mayor wants to ensure that all Council, staff and himself are all operating legally. The Committee acknowledges that staff has to be able to purchase things and not have their hands tied. The Committee feels as though it should be able to ask questions about claims regardless of the dollar value. The Committee wants the policy updated to prevent any erroneous spending. The Committee asked for the status of the new policy. Sam Painter has the updated purchasing policy for review. The Committee requested that Sam Painter attend the next Budget Finance meeting.

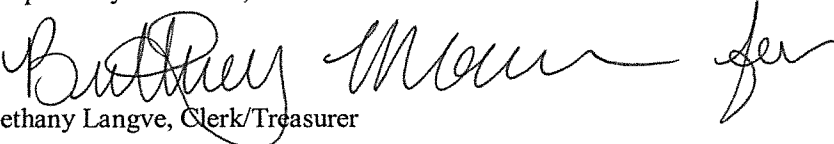
Other:**For next agenda:**

Rotary Dues

Purchasing Policy

The meeting adjourned at 6:26 p.m.

Respectfully submitted,


Bethany Langve, Clerk/Treasurer

Brittney Moorman

From: City Clerk
Sent: Friday, May 11, 2018 12:04 PM
To: Brittney Moorman
Cc: City Mayor
Subject: Signing of minutes

Brittney as the council secretary and the administrative assistant you have my full permission to sign the May 1st 2018 Budget and Finance Committee minutes on my behalf. Please sign your name and put the word "for" after your signature.

Thank you,

Bethany Langve
Clerk/Treasurer
City of Laurel, Montana