

**MINUTES
BUDGET/FINANCE COMMITTEE
APRIL 17, 2018 5:00 P.M.
COUNCIL CONFERENCE ROOM**

MEMBERS PRESENT: Emelie Eaton Bruce McGee
 Richard Klose Scot Stokes

OTHERS PRESENT: Bethany Langve Mayor Tom Nelson

Emelie called the regular meeting of the Budget/Finance Committee to order at 5:00 p.m.

There was no public present.

The next scheduled meeting will be May 1st, 2018 at 5:30 p.m.

The **minutes** of the April 3rd, 2018 meeting were presented. Scot made a motion to approve the minutes as presented, seconded by Richard, all in favor, motion passed.

The Mayor has reviewed and signed the March **journal vouchers**. Richard made a motion to approve the March journal vouchers, Emelie seconded, all in favor, motion passed.

The **Utility Billing adjustments** were reviewed by the Committee. Bethany noted that there was nothing unusual about the adjustments. The adjustments were reviewed by each committee member. Richard made a motion to approve the UB adjustments, Emelie seconded, all in favor, motion passed.

The monthly **financial statements** were reviewed by the Committee. Bethany briefly went through the reports. Bruce made a motion to accept the financial statements, Scot seconded, all in favor, motion passed.

There were two **Purchase Requisitions** presented to the Committee. The first one was from the Parks Department for a new 72" John Deer lawn mower. Bethany read aloud the letter attached to the purchase requisition. It explained that the lawn mower was not budgeted for this fiscal year but that since other capital improvement purchases were no longer going forward, money was now freed up to purchase the lawn mower. One of the purchases no longer going forward was a new vehicle for City Hall. The question was asked how the vehicle was approved in the first place. Bethany explained that the vehicle was approved by council through the budget process. The question was asked why the John Deer mower was the one being chosen and why not the Kubota mower. Bethany explained that the Kubota mower was almost \$20,000 and the John Deer had a steering wheel and a deck that flipped up for easy maintenance and cleaning. Also, the John Deer dealership in Billings has always treated the City very well and the brand has a good reputation. The City has been purchasing John Deer mowers for decades. The savings that would be gained by purchasing the John Deer mower outweigh the cost. The question was asked why smaller lawn mowers, that were less expensive, were not being purchased. Bethany stated that less expensive lawn mowers could have a shorter life span, costing more in the long run, and the parks department may have to work longer hours to do the same work.

The question was asked if the mower could be fitted for snow removal in the winter. Bethany didn't know the answer to that question but would find out. One concern expressed by the committee was if this expensive mower was purchased would the staff make sure seasonal help was not abusing the equipment. Bethany stated that she would pass that on to the parks department. Bruce made a motion to approve the purchase of the 72" John Deer lawn mower for the Parks Department, Richard seconded, all in favor, motion passed.

The second purchase requisition presented to the committee was for the purchase of a 12' x 24' wooden shed for the Cemetery Department. The shed will be used to store the lawn mower, valves and other equipment for the department. Bethany read aloud the letter attached to the purchase requisition. There were no questions regarding the purchase. Richard made a motion to approve the purchase of the 12' x 24' wooden shed for the Cemetery Department, Scot seconded, all in favor, motion passed.

Claims entered through 04/13/2018, totaling \$148,769.83, were presented to the Committee. Emelie had previously reviewed the claims detail register and check register. There were a few clarification questions submitted by Emelie, which Bethany answered. Emelie made a motion to recommend approval of the claims to Council, Scot seconded the motion, all in favor, motion passed.

The **Comp/Overtime** report for PPE 04/13/18 was reviewed by the Committee. There were no questions regarding this Comp/Overtime report.

The **Payroll Register** for PPE 04/13/18 totaling \$177,752.81 was reviewed by the Committee. Richard made a motion to recommend approval of the payroll register to the Council, Bruce seconded the motion, all in favor, motion passed.

Clerk/Treasurer's Comments: Bethany asked who would be going over the next set of claim reports. Bruce stated that he would be the next person to review them. Bethany and Bruce set up a time to meet so that Bethany could explain what Bruce would be reviewing and answer any questions he may have.

Mayor's Comments: The Mayor stated the updated procurement and purchasing policy will be reviewed by the Budget/Finance Committee prior to it going to council. The Mayor then stated that he had requested the City Attorney's opinion regarding the duties and authority of Budget/Finance Committee. The Mayor handed out an email provided by Sam Painter, City Attorney, that outlined his thoughts on the duties and authority of the Budget/Finance Committee. The Mayor stated that he felt the Budget/Finance Committee did not have the authority to restrict any Department Heads spending, as this would be an administrative function. He also stated that the Budget/Finance Committee could not make a Department Head adhere to a new spending limit as it would amend the existing purchasing policy. The Mayor will speak to the Department Heads regarding the purchasing policy and if it is not adhered to there will be disciplinary actions taken. The Mayor walked through the purchasing policy and the authority given to Council, Budget/Finance, Mayor/CAO and Department Heads. The question was asked if the Budget/Finance Committee then couldn't question purchases under \$5,000. The Mayor stated that no they could not question items under \$5,000 as they are only to review and approve purchase between \$5,000 and \$80,000. The statement was made that the Budget/Finance Committee has to do its due diligence reviewing all claims before making the recommendation to council. The Budget/Finance Committee has the authority to question all claims. Bethany stated that the Budget/Finance Committee has the authority to approve purchase between \$5,000 and \$80,000 but Council has total authority to approve payment on all claims or warrants against the City. The Mayor

stated that he would verify with the City Attorney, that the Budget/Finance Committee cannot question purchase made under \$5,000.

Other:

The Mayor stated that he had authorized the purchase of the Fire Chief's uniform and payment has already been made on the item.

For the Next Agenda:

Rotary Dues

The meeting adjourned at 6:25 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Bethany Langve', written over the printed name.

Bethany Langve, City Clerk/Treasurer