

PRESIDENT  
Greg Schafer

**Ayersville Water and Sewer District**  
**13961 Fruit Ridge Road**  
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BOARD MEMBERS  
John Miller  
John Ehlinger  
Frank D'Ambrosia

VICE PRESIDENT  
Joanne Tuttobene

TREASURER  
Robert Cooper

DISTRICT MANAGER  
Caleb Antoine

SECRETARY  
Ronda Phillips

Clerk  
Gayle Decator

**MINUTES FOR THE BOARD MEETING OF FEBRUARY 18, 2016**  
**MEETING STARTS AT 7:00 PM**

- A. Call to Order - The meeting was called to order in accordance with ORC 121.22 by president Greg Schafer at 7:00 p.m. at the District office.
- B. Roll Call – Board members in attendance were as follows:

President Greg Schafer  
Treasurer Bob Cooper  
Secretary Ronda Phillips  
Member John Miller  
Member John Ehlinger  
Member Frank D'Ambrosia

Non-Members in attendance were:  
District Manager Caleb Antoine  
Attorney Carl Ireland

The Board would like to acknowledge the absence of Vice President Tuttobene, who is unable to attend due to the passing of her brother, and wishes to express their deepest condolences during this difficult time.

- C. Reading and Approval of prior meeting's minutes – A motion was made to approve the minutes from the previous meeting on February 2, 2016, by John Ehlinger, with a second by John Miller. Discussion – none. All in favor – Ehlinger, Miller, Phillips, Cooper, Schafer; Opposed – None. Abstained – D'Ambrosia. Motion Carried.
- D. Public Comment – There was no public comment at this time.
- E. Correspondence – District Manager Antoine brought a Letter from the Sensus Company, from which we have installed their radio-meter read system. The letter is to inform the District that it is time to upgrade the technology for the system. The radio frequency bands that we are currently using will be unavailable to the District, and the cost of the full upgrade (we haven't performed an upgrade in the five years that the system has been in place) will be in excess of \$41,000. District Manager Antoine expressed the need to do the yearly upgrades and to set aside money in the budget so we aren't blindsided with the cost in the future. The District hasn't budgeted for such a large expenditure in the past; we are currently paying for "Technical Support". Upgrades include system monitoring that will send text messages when abnormalities are detected, such as water main breaks, or other changes in operations. Member D'Ambrosia asked if we could do a small upgrade, but it appears that if we no longer have access to the current frequencies, that we may be held to the full upgrade.

F. Reports of Finances, from Officers, Committees and the District Manager

**President –**

- i) **Updates on the Phase A/Phase B numbers** and expressed the need to keep up with the numbers so when questions from the consumers arise, we can answer them in a reasonable amount of time.
- ii) **Plan for the website launch** - He would like to see a meeting scheduled with Caleb Antoine, Gayle Decator, Bob Cooper and Ronda Phillips to start adding documents. President Schafer emphasized that we are doing this to be more transparent in the community.
- iii) Stated that we need to continue working on the **Accounting Practices Manual**.
- iv) **Water Certification Licenses** – District Manager Antoine has discussed the license renewal for Jamie Kuhlman and he is not interested in getting his license renewed at this time. DM Antoine has checked into the classes, got signed up and has the book so that he may begin studying ahead of the classes and jump in when he is ready. He has also looked in to taking the “ABC” exam, which he could take whenever he feels confident enough to take it, and not have to wait to complete a class to qualify to take the exam.
- v) **Correspondence to the Staff will continue to go through the District Manager** – This was discussed in depth at the last Board meeting and President Schafer reinforced that this is the proper method to communicate the Board’s direction to the Staff, and not through individual Board members.
- vi) **UAN ‘Accounts’ Straightened out** – Attorney Ireland has been in contact with District Accounting Consultant Rennick and he believes that it was a simple misuse of the word ‘accounts’ that had the UAN reps up in arms. Gayle is happy with the solution. The trouble seems to be in that the UAN system was set up for municipalities, and not necessarily for Water and Sewer Districts, which makes setting up titles for budget line items a little tricky for the District’s purposes.
- vii) President Schafer asked Secretary Phillips to get and sign a sympathy card for Vice President Tuttobene to express our sympathy for her loss, and to bring it to the District office to collect signatures.
- viii) **Act as one Board** – The last Board meeting wasn’t pretty. We need to act as a team. We don’t want to see what happened last time happen again. From here on forward, we all need to work together. We are ambassadors of the District and we’re moving in the right direction. Member Ehlinger stated that getting the website up and running will also help with transparency.

**Secretary** – There was no additional comments from the Secretary. Secretary Phillips will report out on the Audit Committee during the Committee Reports.

**Treasurer –**

- a) **Review of Bank Statements** – Treasurer Cooper asked for approval of the Bank Statements and asked for questions and concerns to be addressed as the packets made their way around the table for review. President Schafer asked DM Antoine if the District has a Menards credit card and if he shops at Menards during their 11% Rebate sale. President Schafer stated that he saves a lot of money when he goes back and uses the rebate checks he receives afterwards. DM Antoine mentioned that he doesn’t generally travel to that side of town, and prefers to shop at the Family Farm and Home store in the Kroger Plaza when he needs something for the District in a hurry.
- b) **Line item for Legal Services (Audit)** – There was some discussion as Member Ehlinger wanted information about the charges for Legal Services (Audit). Attorney Ireland clarified by saying that any charges for the Finding for Recovery for the Estate of Hope Okuley were charged under that category.
- c) **Adjustment Report** – There are a lot of adjustments for NSFs on this report because people are writing checks to pay bills that later bounce
- d) **Request for information** – Member Miller asked about a house in the District that has recently been sold, and wondered if sewer lines have been hooked up to the residence. The house in question is the vacant ranch-style home across the street from the Highland Twp. Fire Department, and it sat vacant for many years prior to the sale. District Manager Antoine said he wasn’t sure if the house is connected to the Sewer System and will investigate further.
- e) **Motion to Approve the Bank Statements, Bank Reconciliation, Purchase Orders, Adjustment Report, Wage and Leave Statements and the Payment Listing by Member Miller, with a 2<sup>nd</sup> by Member Ehlinger. All in favor, with none opposed; motion carried.**

## District Manager –

- a) **There have been a rash of water main breaks** due to the colder weather and the team has been working diligently to repair them. In some cases, they have had to go onto a customer's property to complete the repairs and done damage to the property (ruts in the yard while using the backhoe to dig up the line, etc.). The District will return to repair the damage in the spring, where applicable.
- b) **Towing Bill** – The towing bill listed in this month's expenses was for pulling a cable that dropped into a pit in the Dohoney Road pump station.
- c) **Cleaning person** – Member Miller asked whether the District was still looking for a cleaning person for the District office. President Schafer said that the Staff was performing the cleaning duties and there was no need to hire additional help.

## Audit Committee

**The Audit Committee held their meeting on February 17, 2016.** It was a very productive meeting with lots of discussion about the District's direction for 2016. Accounting Consultant Paul Rennick was in attendance and discussed at length the preliminary findings of the State Auditor's Report. Out of that discussion, the Committee is prepared to make several recommendations to the Board of Trustees:

Recommendation 1 – Hire a part-time person to help accomplish the segregation of duties and to cover the Clerk in case of emergency, vacation, etc. This person should be a 3<sup>rd</sup> to 4<sup>th</sup> year college student with a major in Accounting and a second major or minor in Computer Sciences. With these skills, the District would gain 'an extra set of eyes' to review checks and balances, help input data and journal entries into UAN, address segregation of duties and for verification purposes. The student would gain valuable on the job experience working with a government entity at a monetary rate of up to \$10/hour. The committee will develop a list of duties and responsibilities and work with placement offices at local colleges to find a qualified individual.

Recommendation 2 – It is the consensus of the Audit Committee to work with our Accounting Consultant to be transparent with district's finances by putting all relevant financial documentation on the District's website. We commit to progress through 2016 to get documents online.

Recommendation 3 – We will conduct internal audits at each committee meeting.

Recommendation 4 – The committee will finalize the Accounting Procedures manual, refining transactions to comply with Independent Public Accountant's recommendation.

Recommendation 5 – Increase the amount of the Surety Bond on the District Treasurer from \$50,000 to \$100,000, and look at the cost of increasing the General Liability Insurance coverage on the employees. The clerk will solicit estimates and the committee will review said estimates and decide whether it is prudent use of District funds to justify the increase of coverage and make a recommendation to the Board. At this time, in light of past history of loss of District monies, and other events such as the events with the School Treasurer of Perrysburg High School, we respectfully ask the District increase the surety bond. The additional cost to the District for one year to increase to \$100,000 is \$45, in our judgment, is well worth the peace of mind that it brings to the Board members and the District.

Recommendation 6 – The District needs to formalize an I. T. Disaster Plan. The District is currently using a cloud-based back-up site called Crashplan.com to back up some data, and a flash drive in office to back up the District's financial data. The district computer that is used for recording UAN entries is connected to the internet and can be uploaded as well. The committee will devise a written document to outline the plan and has set a deadline to complete the plan by May 1, 2016 with a stretch goal of April 1, 2016.

The next scheduled Audit committee meeting will be at the District office on March 17, 2016 at 3:00 pm, prior to the regular District Meeting.

Attorney Ireland quoted the Finding for Recovery for Treasurer of Perrysburg Public Schools Matt Feasel to state his approval of the surety bond increase. District Manager Antoine said that when Jamie was hired that it was to fix grinder pumps and to learn some of the duties in the office. He voiced his opinion that there are four employees and some of them should be trained to do the duties being asked of another new hire.

**A Motion was made to raise the Surety Bond on the District Treasurer from the amount of \$50,000 to \$100,000** by Member Miller, with a second by Member D'Ambrosia. Those in favor – John Ehlinger, John Miller, Frank D'Ambrosia, Ronda Phillips, Robert Cooper and Greg Schafer; those opposed – none. Motion Carried. Clerk Decator will be notified of the approval to start the process of raising the surety bond.

G. New Business, per Agenda or Motion

a.) **A Motion to Approve Resolution 1602.03 to certify Phase A Assessments to the Defiance County Auditor, and Resolution 1602.04 to certify delinquent Sewer/Water Accounts to the Defiance County Auditor** was made by Secretary Phillips, with a second by Member Ehlinger. All in favor, with none opposed. Motion carried.

b.) Member Miller stated that if there was a meeting that Clerk Decator should attend that it would be this one (Regular meeting). There were a lot of questions concerning the reports and bank statements that could have been answered if she were there. President Schafer said that it was at the discretion of the District Manager and that she could be here as 'a concerned citizen', if necessary. Another approach would be to have District Manager Antoine review the agenda for the meeting and make the call as to whether or not her attendance would be required.

H. **Enter into Executive Session, pursuant to ORC 121.22** – A Motion was made by Member Miller, with a second by Treasurer Cooper, to enter into Executive Session at 8:31 pm, for the purpose of discussing the Finding for Recovery against the estate of Hope Okuley. All in favor; none opposed. Motion carried.


I. **Return from Executive Session, pursuant to ORC 121.22** - A Motion was made by Member Miller, with a second by Member D'Ambrosia, at 9:13 pm. All in Favor; none opposed. Motion carried.

J. **Adjournment** – A motion to adjourn the meeting was made at 9:14pm by Member Ehlinger, with a second by Treasurer Cooper. In favor – ALL; Opposed – NONE. Motion carried.

/s/ Ronda Phillips, Secretary

  
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Greg Schafer, President

  
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Ronda Phillips, Secretary

  
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Gayle Decator, Clerk