

WHITE RIVER TOWNSHIP BOARD MEETING  
TRUSTEE'S NOTES  
JANUARY 24, 2012

ATTENDEES: Mark Messick, Greg Rainbolt, Dave Pollard, Peggy Young

Mary Sue Kane, Forrest Chambers, Bill Heller

Greg Rainbolt: Welcome everybody to the WRT Board Meeting on Tuesday, January 24, at 7:00 pm. Would everyone like to stand for the Pledge of Allegiance? Peggy would you like to lead the Pledge of Allegiance? Next order of business is approval of the January 3, 2012 WRT Board Meeting minutes. Do I hear a motion for approval?

Dave: I make a motion to approve.

Peggy: I'll second.

Greg: Having a first and a second do I hear any discussion on the minutes? Do we have any discussion Dave, Peggy? Hearing no discussion I will ask for a vote. All of those in favor of approving the WRT January 3, 2012 WRT Board Meeting minutes please indicate approval by saying Aye (all board members said Aye). Three Ayes, the Ayes have it for approval of the WRT January 3, 2012 meeting. Now the next order of business is the 2011 WRT Trustee's Annual Report.

Mark: I believe everybody has a copy of the annual report that I put in your box. Those copies can be written on so as we go thru this I would prefer you write on those because the copies I have we will need to sign and be kept because I have to give a copy to the auditor, send a copy to the SBA, have to keep a copy for myself, have to give the chairman a copy which he has to keep in his records. So with that in mind, you have that report in front of you, any questions? Would you like me to go over the reconciliation that I gave you?

Greg: Sure.

Mark: Does everybody have this, Dave?

Dave: Ok.

Mark: When we started the process and we went on Gateway we finally just had to give up that Gateway was going to allow us to sync our files with Gateway still not available so we went in and manually started entering things but before we could even start we found out that our starting balance on TOMS and the ending balance which the previously trustee had listed did not agree. So we had to try to find out why those amounts did not agree and so we found out pretty easily that fortunately for us it come up that the number was \$9,710.25 and that stood out like a sore thumb so we went in and checked the records and sure enough the December deposit for 2010 of \$9,710.25 was not recorded as part of our receipts for 2010 even though it was in our bank and we had actual possession of those dollars. We also had known prior to that that \$21.38 was not part of that and that was the interest paid in December for that same amount. I won't say what happened here but I can guess. Last year we got the annual report prior to receiving the bank statement and if the auditor's office or if the bank did not give the previous trustee all of the deposits and the interest, he may not have had it in order to record it on the annual report and since he did not wait

until we had the bank statement that may have been the reason for the discrepancy but neither here nor there we have to go with what our starting balances are to our ending balance so that created a problem for us and in talking with the SBA and talking to Jim Higgins our financial advisor it was determined that we would treat it like a deposit that was received this year. Even though it was not a deposit we received this year, so we had to treat it that way in order so that this year's end totals would be consistent with what our bank account says and what we have. So with that in mind I gave you a letter just an explanation and what it says here is: The annual report dated January 4, 2011 and the TOMS Annual Report had to be reconciled in order to report the actual dollars with the balanced Township's bank statement of 12/31/10. A deposit of \$9,710.25 was not included in the previous Trustee's annual report and the interest of \$21.38 for December was not reported.

Mark: That would have been simple enough if that is where it ended but it wasn't. The annual report showed that our investments were \$525,000.00. And yet the TOMS system showed that our investments were \$529,682.32. So when I saw that when we started looking at, preparing the budget this year I said to Mary Sue, we have a problem here because things don't look right. She made a call and talked to some people and found out that what we had done was we had counted the \$4682.32 as investments instead of interest on investments. So we had overstated our investments by that amount of money and actually...

Peggy: So this is the interest?

Mark: That is the interest that was paid on the investments, yes. So luckily that was a number that was easily defined also which was good because we did not have to do a whole bunch of searching. We knew exactly where it was and we had record of it where we had taken notes of what we had done in the system and why it was done. So with that in mind we had to do a disbursement in order to reconcile that in the books and so we had that also to be done. Then as a result of that we had to put that in our system here so we could identify it. So if you look on your Annual Report that I gave you if you look under, I'm just going to take you to that page ok and then we will drop back and start over again because I want you to know how we got where we are at to start with. If you look on the 3<sup>rd</sup> page of the report that I gave you, they are not numbered that way, the top says Detailed Receipts 2011. It starts and says Rainy Day at the top of the page. Does everybody see that? If you look down to Township, the last item under Township says State, Federal, Local Payments in Lieu of Taxes \$9,710.25. Does everybody see that? That is how we reconciled the deposit not being made. Then if you look at your Disbursements, under your Disbursements which is on the back of the page, the back of page 4. If you look down to about a third of the way up from the bottom it says Transfers Out, Other Disbursements and the Other Disbursements says \$4,682.32. Do you see that? It says \$106,558.10 above it, it is on the back of the page and below that it says \$4,682.32. Since we have overstated, that was how we had to disperse that to get it out of the, we had the receipt but we did not have it out of the investments. So that is the other disbursement. We purposely identified those so that we could identify them with our auditor, the state auditors, so we knew where they were too. So we put them in areas, we just did not put them somewhere where they would be buried. We drew attention to them on purpose. Other than that this is an accurate report of everything that happened in 2011. You can start on the 1<sup>st</sup> page. We

kept all beginning balances that the previous annual report showed because we had to because that is what the state said our previous balances were. The receipts and disbursements were adjusted accordingly to how we told you but our bank account at the end of the year when it was reconciled which is right here is \$189,361.09. You guys are welcome to see that any time you want to come in and look at it. So that takes care of the first page. If you look at the second page that is the accumulation of all your monies. So if you take the amount that we have in the checking and you add our investments which is \$510,823.78 you are going to come up with \$700,184.87. So those numbers all reconciled. So that is good. If not we would have to find a way to get them to reconcile. Then when you start on page 3, that is just what you will find how we put all of these numbers together basically and that is recorded in our bank statements and also in our TOMS system and what you guys see on a regular basis when I give you the annual report, it is not the annual report but I give you a report monthly. The last one you received from me if it wasn't in after she received the bank statement would be off by the same thing that Jay's was off but you know the one that I used for the Annual Report was after she reconciled the bank statement. So those are the things and if you have any questions about anything in there I stand ready to answer those questions. Unless you just want to go thru every line, that is up to you.

Greg: No, personally I would just like to skim thru it and makes notes and highlights.

Mark: The one page that says \$510,823.78 that is just telling you what your investments were. That is where I added the two together, the \$189,361.09 and that is where you came up with \$700,184.87. That is all in there. Go ahead; I'm ready to answer your questions.

Greg: There was a question, well one of the questions I see here is I see it on the disbursements under Township Assistance a lot of individual's names and I have asked this before or during the year what they were.

Mark: Give me a name and I will tell you.

Greg: Let me see one that I can pronounce here, Margaret Rasdall.

Mark: What page are you on?

Greg: Page 3.

Mark: There is a Mark Rasdall.

Greg: Yes Mark.

Mark: \$600, that is a landlord. The same as the one above that, Karin Anderson, she is a landlord.

Greg: Scott Jones?

Mark: Is a landlord. Park 1277 is a landlord.

Greg: Ok.

Mark: Most of those that are individual names are a landlord. I don't know of anybody with the exception of Hales Lawn Service.

Peggy: One question I have Accupay is under Personal Services and Services and Charges.

Mark: Right. Under Personal Services that is the amount of money that they had and under the other area the \$134.93 is what they charged us to do the books in January, to do the payroll. The \$236.38 because we paid it to Accupay that is actually money though that was actually IRS.

Peggy: Ok. So they in turn pay internal...

Mark: We have it recorded in our system as IRS, the check was made out to Accupay, we can't say it was made out to Internal Revenue but they send that money to the IRS and we can't verify that.

Any other questions?

Greg: There is one on the investment page.

Dave: What page are you on?

Greg: I'm on...

Mark: On the \$510,000?

Greg: Yes.

Mark: What is your question there?

Greg: There is a difference between \$525 which is the beginning balance and the ending balance of \$510.

Mark: Right. So the difference, we sold, if you look at the sold investments during the year we sold \$400,000. We purchased \$385,823.78. The reason we only purchased that amount is because we needed money for operating this year.

Greg: Right.

Mark: So that is the difference. We did not need much to operate for this year but that is the difference. We also identified the township assistance has \$70,000 in it, we identified that because that is the amount of money you guys did by resolution in case we ever have to move that back it is identified as a CD. You remember we can go in and touch a CD anytime we want to within 21 months one time. So if we ever have to move that back at least we will get interest on it. Ok? Then we have the Rainy Day Fund, it is all invested. It is not sitting in the checking account, it is invested. That is the actual amount that is in our Rainy Day Fund. \$90,823.78 is our Rainy Day Fund. That is how much that is invested.

Greg: But basically this is the difference between cash in hand and re-purchases.

Mark: Right we sold and then we bought back. So if you look at the purchased amount of \$385,823.78 and subtract that from the \$400,000.00 and take that negative number and subtract it from \$525, that should equal \$510,823.78.

Peggy: Could you tell me who London Witte group is?

Mark: London Witte is Jim Higgins. That is your financial advisor.

Peggy: Ok, and Net Results?

Mark: Net Results is who takes care of our TOMS system, that is the township office management service.

Peggy: Ok. Then \$106,000 WRT Trustee?

Mark: That was the \$36,000 in which was put into the Rainy Day Fund transfer because we have to have an audit trail for that and that is the \$70,000 investment that we made, no that is the \$70,000 transfer that you made into the assistance. So if you add the \$36,000, I can tell you what that actual dollar was again...

Peggy: That is alright.

Greg: I knew what it was but I was just wondering...

Peggy: The transfer was made out to WRT Trustee.

Greg: Yes.

Mark: If you look on the 3<sup>rd</sup> page at the top of the page you will see Transfers, Tranfers In under Rainy Day, \$36,558.10. Towards the bottom of the page you see Transfer In \$70,000. Those checks are actually made out to the WRT Trustee because to do it the way the SBA wants us to do it, we have to create an audit trail.

Peggy: Ok.

Greg: I was curious about that also.

Peggy: London Witte, we will see them in Township and Assistance side or just Township?

Mark: Normally they go under Professional Services so normally you will just see them in the Township side. The same as your attorneys, the same as Net Results.

Peggy: Where are the attorney's? I see Buschmann and isn't there, it is Williams Barrett?

Mark: Yes Williams at the bottom.

Peggy: Ok.

Mark: Those are your two attorneys. Any other questions?

Greg: Now is this TA-7...

Mark: TA7 is a statistical report and it is just that. It is what happens to the best of our knowledge those are what are there. I did not realize that we did not have all of the investigations in there, but I guarantee you one thing next year. That may be the number that we paid for, I don't know. I don't know what it is. I think I did about 20 investigations myself. I may not have put them on there.

Peggy: I only have the August, it says 7 by Mark.

Mark: I gave that to her and we have the actual numbers but if you want to double check what Drake was paid and what Sutton was paid you can do that but it was accurate. We have the dollars on those on the report, we just don't have the numbers.

Greg: Right the numbers on the TA-7 did not jive with...

Mark: With Drake we had a case where like I said had a multiple of \$35. We had to pay him for that legal investigation we did. We had to find out what the criminal record was. We have records for that. He had to pay for that and we had to pay him for that.

Dave: Do you have to know what the offense is or just that there was one?

Mark: There are only certain offenses that we can deny on. Just because they have a misdemeanor doesn't mean that I can deny them.

Dave: It has to be a...

Mark: It is clear that Indiana code when you go in and read the Indiana Code it tells you where to go from there.

Peggy: Then there is one that supersedes it.

Mark: We don't want to deny them based on anything other than what, it has to be pretty well drugs or it has to be welfare fraud.

Dave: Any felony qualifies doesn't it?

Mark: I do not think that is what it says in the code. But in this case it wasn't disqualifying one. I won't speak to that but we actually looked to see what the code says if we have a felony that we are going to deny them on we are going to check against the criminal record against what the code says and that is the only reason that I will deny them. I have to have actual reason of proof to deny



them. I think it is only drugs and I think it is only welfare fraud. But I may be wrong Dave. But if I am I can tell you this, we will check it before we do it. Now on that I can tell you that I have done that this year versus having to pay quite a bit more there is a subscription that I'm going to share with Pleasant Township that gives us access to all criminal records.

Peggy: Are you sharing the fees? Is that what you are talking about?

Mark: Yes. It will come straight out ours and we will pay it thru DoxPop. That is who the check will go to but that is only going to be half of what our normal subscription would be because they are already subscribing to it and they get 60 lookups a month, that is the least you can get 60. They never do 30, we will never do 30 in one month so we are going to pay half of it and Pleasant Township is going to pay half of it. We will have the invoice in our file, they will have an invoice in their file but we are only going to pay half of it.

Peggy: What is the fee?

Mark: It will be about \$15 a month or something like that; it is not a whole lot. It is less than it probably was to have to pay somebody to do that for me because I can do it now.

Greg: Are there any other questions on this Dave or Peggy? I don't think we have any other questions on this Mark, do you?

Mark: It was a stressful time when we could not figure out why our numbers were off. Fortunately we were able to figure that out and they were numbers that each time we hit them we were able to figure out what they were. So that was good. I'm hoping that next year since this was reconciled and we do this on Gateway again next year that it will be a lot simpler. We are just going to create files from TOMS which we did this year but Gateway never was up so we could share those files. We are creating those files on TOMS and so next year all we will have to do is go in there and share the file and have the report done.

Dave: It was really a bookkeeping problem right? I mean the money was there.

Mark: Actually there was more money there than we thought. So that is good.

Greg: I recall that being a deposit at the first of year in January last year coming in.

Mark: I guess you need to take a vote as to whether you want to approve the report in its entirety or whether you want to exclude certain sections of the report.

Greg: We have two options if you look on that page there. Option 1: This report was received, accepted and approved by the Township Board. Option 2: This report was received, accepted and approved except for parts. If you have any dispute with any parts.

Dave: I have no problem with any of it do you?

Peggy: No.

Dave: I make a motion.

Mark: Go ahead and do that and then I will pass this over to you.

Greg: Do I hear a motion to approve Option 1 of the Township's Annual Report?

Dave: Yes.

Peggy: I second.

Greg: Having a first and a second, we have had discussion, any further discussion? All those in favor of approving Option 1 of the Township's Annual Report indicate by saying Aye. (All board members said Aye).

Mark: I have already signed these. I would ask that Greg you get your signature and you sign the first place right here on all copies and then you sign the top of the second place also. Then the two members sign underneath that. While you are doing this if they want to ask questions I will answer questions from the audience with your permission, I don't want to run your meeting.

Greg: We are opening it up to the public.

Bill Heller: I just want to say that I find it so refreshing from two years ago when the board had to check the second box and write in except for all.

Mark: I won't go there.

Peggy: Probably not professional to go there.

Mark: I will just say one thing in that area and that is John Ebert had asked for information ahead of the meetings and had for a long time and never received them. As a result he would not approve any. I don't think he approved any End of the Year Reports ever. I don't think the board did either. We saw them the day of the meeting.

Dave: That is when I saw mine.

Mark: They have been there, you got called, right?

Dave: I don't know.

Mark: You got a message on your machine telling you they were there.

Dave: I don't have a machine.

Mark: Doesn't he have an answering machine?

Dave: No. You have to ask her I guarantee I don't.

Mary Sue: I don't think so.

Mark: I left a message on somebody else's machine.

Mary Sue: Well they did not come and pick it up so Dave is ok.

Mark: I talked to you didn't I Dave to tell you it was here? That was it and the other two had the answering machines.

Greg: Yes, I got a call Friday.

Mark: I can't remember.

Dave: You're not the only one who is confused because my son has an answering machine on my telephone line.

Peggy: That is what it is.

Greg: So he is getting your messages.

Mark: I thought after so many rings it went to an answering machine, but I may be wrong.

Peggy: Well he says that his son has an answering machine on his phone line.

Dave: He does.

Mark: Alright.

Peggy: So he does not check it.

Mark: I apologize, I didn't know that. I think I have left other messages before.

Dave: My work has.

Mark: I know you don't have a computer, so I will come knock on the door.

Dave: That is alright.

Greg: Is everybody ready? We will go to the next order of business that is WRT Resolution 2012-02. This is approval of the Emergency Assistance Eligibility Standards. We will open up this resolution for discussion. Do I hear a motion for this resolution?

Peggy: I make a motion.

Greg: Do I have a second?

Dave: I second.

Greg: Mark I will let you take over and explain.

Mark: What I passed out to you was, I asked the last time we had a meeting if we could take our guidelines and not change anything with the exception of the guidelines which we approve assistance by. In the past we have approved assistance by 100% of poverty and you know that just eliminated a lot of people. Most everybody makes at least 100% of poverty. We talked about the idea that we would do it based on the food stamp guidelines and that is what I passed out to you. These are the guidelines if you call the food stamps office this is the guidelines that they will tell you that they operate by. It was prepared for me by Mary Sue, she typed it up. There is a gross and a net. We don't operate under net so when you see these guidelines that I'm going to ask you to approve, it is the gross. We consider all income from all sources as being what you have, if you get a gift, if food stamps helps you, if you get money from SS and those are all gross numbers not net numbers. If they withhold money for Medicare or something like that you know that is still not counted as part of the net because it goes by gross so we go by the gross numbers totally. It is still a tight number but those are the numbers for this year. If we went by the federal guidelines this year the numbers that you are looking at would be approximately \$200 less in all categories. So we are increasing our guidelines by about \$200 per household no matter what size your household is.

Peggy: So looking at this form, one would be one person in the household.

Mark: One person in the household.

Peggy: Two would be two people.

Mark: Right.

Peggy: Ok.

Mark: That could be a mother and a child or it could be a husband and a wife.

Peggy: Ok.

Mark: That is what we have done. So if you look and I'm not going to, the guidelines are identical to last year. The only thing I changed and I will just go over this with you without passing it out so we all don't have to look at it. It is 2012. I just put the board members on here I did not identify who you are. I just did it alphabetically that way in the years to come you are just the board. On the approval page though I did identify the board members which is simple to change. Approval page identifies Greg as your chairperson, Dave as your secretary and Peggy as your member. The only other thing that changed was on page 34. On 34 I will just pass this and have you look at it and pass it back. Page 34 you will see the first table there identifies the guidelines for income. That is the only other change that you have. So if you guys are agreeable to increasing the income guidelines nothing else is changing from last year. That would be your motion and that that would be your discussion.

Dave: If you increase it does it make it harder for them to qualify or less harder?



Mark: By increasing the dollars it is easier for them to qualify for assistance.

Dave: That is what I thought.

Mark: Last year a single person \$902.50, if they made more than \$902.50 that is all it could be. This year that will go up to like \$978.00 on the guidelines but by using this...

Dave: Ours is going to go to \$1180.00.

Mark: \$1180.00. So we are going to have more people qualify. \$200 is not much though, I guarantee you we are going to see a lot of people still not qualify because of this. Because usually if they did not qualify, they usually did not qualify because of like \$300 sometimes but there were those that were like \$50 over. Most of the time do you know what that \$50 was? Somebody had paid their electric bill. Somebody paid their water bill. The church gave them \$50 and they were honest enough to report that they had gotten that gift and then they did not qualify.

Dave: Do you have any latitude in that or do you have to stick right by the guidelines.

Mark: I have no latitude on denying them if they are under this guideline and I have total latitude if they are over this guideline of helping them but I have to document why I helped them outside the guidelines.

Dave: That is what I mean.

Mark: If they are outside the guidelines and there is an emergency or there is a situation let's say their car broke down and they spent their money on repairing their car, let's say that they had a medical bill and they did not realize that the hospital is not going to really kick them out of their house but they went ahead and paid that medical bill and I have the receipt that they paid that medical bill and now they can't pay their rent, I'm talking about stuff that I can help them with. Now if they come to me the following month I may look at them and say did you hear what I said?

Peggy: Do they typically come in every month?

Mark: Not anymore. There is an exception to that. Those that have signed up for SS disability and that was part of what you saw in the annual report that I did not point out to you, we got back like \$2400 last year from people as receipts that came in from SS to us because they had signed up for SS disability, we had approved them and because we knew that they were signing up for SS disability they signed a waiver that we would get back what we had given them and so we got back less what the ITA keeps for being the administrator for that in the State of Indiana, we got back probably 75% of the money that we helped those people with. So those people, those individuals, those residents, I had to say people, we may have helped 2 or 3 months. We had one this summer I think we helped 4 months in a row.

Mary Sue: We have somebody right now that has cancer.

Mark: That is the other thing is that we have someone who has cancer, she does not qualify for unemployment, she does not have short term disability, and so she has basically no income and no likelihood that she is going to get income and I'm going to help her until the cancer treatments are over or until she is no longer with us.

Peggy: I just don't get how she couldn't, she doesn't have any income.

Mary Sue: She is supposed to be going back to work she thinks her treatments will be over in February or March.

Mark: She has an appointment to see us in February, next week, and according to the file she has indicated that she thought that would be the last time she would come in seeking assistance. But we look at it each time because you know we don't pay everything even though they come in. On her particular case we pay what we are allowed to pay for her shelter and we pay what we are allowed to pay for her utilities, we don't pay it all, we pay the most current 30 days, we don't pay taxes, we don't pay late fees so if she does not see us in time and she incurs a late fee that is her responsibility. There are taxes on that, on her electricity and gas and by state we are not allowed to pay so we don't pay that. We have guidelines that we have setup for shelter so we don't usually pay anybody's full amount of shelter.

Greg: I think we are all aware how strict the guidelines are and stuff and this is something that I would do personally as a member. Do we have any other discussion on this matter?

Peggy: I make a motion to accept the food stamps guidelines as presented.

Mark: This is the township assistance guidelines.

Greg: The motion is on the board and I'm going to call for a vote. All those in favor of approving WRT Resolution 2012-02 the Emergency Assistance Eligibility Standards indicate by saying Aye. (All board members said Aye.)

Mark: Just so you know what you approved, I did not get to read them to you but I will read quick. Resolution 2012-02. These emergency assistance eligibility standards are hereby adopted for use in the administration of emergency assistance in WRT of Johnson County, Indiana and shall be in full force and effective as of the date below and that is today's date (January 24, 2012). So starting tomorrow we will use these standards. I need you to sign all of these. I need all but one copy back. I have to take a copy down to the county.

Bill Heller: Can I ask a question?

Mark: Sure.

Bill Heller: How is the assistance running this year versus the prior years, are you spending more?

Mark: This month and that is something I give them every time they are here. This month compared to a year ago and we have not had very many people come in.

Bill Heller: Maybe their utility bills are lower.

Peggy: Well mine aren't.

Dave: Yours are going to go up too, did you know that?

Mark: Would you look and see if we left a copy of the annual report in there, I know we printed it off but I don't remember giving it to them.

Dave: I don't have it.

Peggy: I would like to put it on a spread sheet and see if from year to year to year.

Mark: We could do that. Do you want me to do that?

Peggy: I could take this home and do it.

Mark: We could do that. If you want me to do that I will do that.

Greg: Do you want to wait for her to get back or proceed on?

Mark: Proceed on.

Greg: With that out of the way our next order of business is any other business that may come before the board.

Mark: The only other thing I have for you I think you took care of and that was your W-4's. Oh you are working on yours. You can get with her afterwards, she has your file, she can pull it out. We would like to keep that current because actually the SBA looks at that to see if they are current. The other thing is in reading the conflict of interest laws, last year we just did this for best practices. This year with the new conflict of interest that they passed last year in the law if I have an employee or someone that I appoint the position that is under my control then there could be a conflict of interest so with that in mind it is the same form that you guys signed last year acknowledging that you knew that I use Kane Construction before I used them so I'm just asking you to sign that you acknowledge that we may use Kane Construction this year. It is an annual disclosure, doesn't mean that we are going to use Kane Construction but if we do you know that is a vendor that I would like to use. Then if you will look at, we gave you the annual report to date, this isn't the annual report but it shows you just like where we are at so far this month. It is not an annual report but it shows you where we are for 2012. Are there any other things that we want to take up before the board? We are going to have a training session the office is next Monday. What we have done, we have done a great job this last year of getting the TOMS system to work the way it was designed to work. We have a couple of kinks that we are still trying to work on and so Mary Lou and Mary Sue and I are having a meeting next Monday morning from 9 to noon just to go over the process that we are using and how we enter things on the computer just so we are all doing the same thing and are on the same page. There is not a problem. This training session isn't because there is a problem, it is just to give them a chance to give feedback to me and for me to tell them some of the things that I have seen in the files during the year. There have been times that I have asked people to go in and put more things in the file and it has been fine and the same thing for me. When I do the report I need to remind myself this is what they are doing and I need to make sure I do the same thing that the ladies are doing because if I do the appointment I actually enter stuff on the computer and I want to make sure that we are all consistent. Other than that I have asked for both of them to give me feedback on anything else they would like to that has transpired in the last year. The lawnmowing I have had two people request to put a bid in for lawnmowing this year. We are going to do that, we are going to accept that from them along with Hale if they want to bid it again.

Dave: For what the cemeteries?

Mark: For the cemeteries.

Dave: Not this property.

Mark: Not this property not until...I got a letter from...

Greg: It is something that we will have to look at too for the budget for 13 is...

Mark: I got a letter from Dr. Long since we met last and as we all know if you have been reading the newspapers they are planning on leaving our building. They have said that they would most likely leave our building on June 15, 2012 by 5:00 p.m. I talked to Mr. Arkanoff. I told him that we appreciate that and we have had a leasing agent in here and we have had a couple of realtors look at it and I am probably going to choose Carpenter as our leasing agent to try to find us a new tenant. I have instructed Carpenter in that area that if we do enter into a contract with them that one is if I go to do that I'm going to call a board meeting. So that is just to put you on notice, we

may have a called meeting. The purpose of that meeting would be just to go over the contract to lease the building.

Dave: You will have, this isn't a statement it is a question, you will have an attorney involved in that right?

Mark: Right, we will have. But I will have you guys in so that we can all discuss it.

Peggy: But you have already had an attorney come up with a possible lease correct?

Mark: We have a lease that the school has been presented and I believe they are going to adopt.

Peggy: But your attorney came up with it.

Mark: Right. But it will be different because the lease that they drew up for the school is, you guys are going to do all of this stuff, there is no money involved in it. We will go from a lease of you have to do all of this stuff to here is what you have to pay us.

Greg: Right.

Mark: Then we will either exclude, we will have to either take care of the whole building for janitorial or we will just take care of the common area and our office for janitorial and the same thing with the lights and everything else. We will have to either come up with a way of sharing because that is about half of our building and maybe 50% of the utilities that we charge to the tenant and then we will have to come up with a way of sharing the 50% of the upkeep of the property because of the parking lot, the outside and everything else and then the main mechanicals that would be our responsibility, the air conditioners, the heaters.

Peggy: That would be just like renting a house out.

Mark: Right. So those type of things, and that would be done again, we would use the attorney just to redo the lease that he has already prepared for us.

Dave: When does the sheriff's lease end?

Mark: The sheriff does not have a lease any more than the school did.

Dave: Oh.

Mark: No because it was not approved by the board Dave. You got that opinion from Mr. Buschmann already.

Dave: We did?

Mark: Yes. You got a letter, I gave it to you.

Peggy: You said once the school was finished you were getting to come up with a lease...

Mark: Once the school adopts what I have sent to them, we will then use that as a boilerplate to take to the sheriff's department.

Greg: Basically that is almost going to be a moot point because they are going to be out of here by June.

Mark: But it is not a moot point because the lease talks about liability who has what liability and states what is going on. Their certificate of insurance says that they are covered for any particulars it says in the lease and then only because we don't have a lease with them, then only if someone is on our property doing school business. In other words if a parent from the academy came in and attacked Mary Sue, our insurance company would then go after the school's insurance and the school would come back and say that parent was not here on school business when she attacked Mary Sue. That person just came in and attacked the wrong person. Then we would have to have

attorneys involved and we don't want attorneys involved. Our lease calls that out and makes it pretty clear so we have still asked the school to sign a lease and I think they are going to but we are not sure. We have asked and we want to get it done only because we know that liability exists.

Peggy: Where is the lease now?

Mark: The lease is in Mr. Arkanoff's hand. Mr. Arkanoff has the lease and I gave you guys a copy of it but it has changed quite a bit since then because they have asked that we delete stuff and change things and we pretty well have done that. We are down to, Mr. Arkanoff had asked for an exhibit saying what our expectations were as far as cutting the grass, mulching and things like that. So we have provided that to him and now he thinks that he would like to revisit that because he wants it according to school standards. My discussion with him was what are school standards? Let us know what the school standards are.

Peggy: Well come and look at our school.

Mark: Alright. I had a problem with our mulch area where they did not do the weeding and they are supposed to until I went over and visited the superintendent's office and saw that the weeds there were worse than ours. That is because we have somebody go out there and pull our weeds when we had workfare.

Dave: Do you know someone by the name of Kathleen Hash?

Mark: I know Kathleen Hash.

Dave: Do you know who she is?

Mark: She is the county attorney.

Dave: She is an attorney right?

Mark: Yes.

Dave: I had a conversation with her. She has a legal lease with the sheriff's department with us.

Mark: And our attorney says that is not legal because it was signed by the board.

Dave: There are two opinions.

Mark: I don't think Kathleen has looked it at that way.

Dave: Kathleen made a copy for me, in fact I have it.

Mark: No, no I have a copy too but what I'm trying to say is I don't think Kathleen has looked at it according to the law. I think she has looked at it as to what is in the file.

Dave: She is an attorney.

Mark: I would ask you to ask her that question, has she looked at that according to Indiana Code, is that a legal lease?

Dave: I'm not going to ask her.

Mark: But you are welcome to.

Dave: I have already asked her.

Mark: Well Mr. Buschmann your attorney thinks differently.

Dave: That is what I said, there are two opinions.

Mark: Well you can call Mr. Buschmann if you would like.

Dave: No.

Peggy: We don't need to run up any more professional services.

Greg: Anything else from anybody?



Dave: There were some questions that weren't answered if I recall correctly.

Greg: Right on the contract employee on the investigator, is that the question you are referring to?

Mark: What is your question?

Peggy: Do you have the minutes?

Mary Sue: I don't.

Dave: Mark said he was going to bring us some answers, I forget the questions.

Peggy: One was...

Mark: The one thing I did find out is I'm not subject to unemployment tax, Mary Sue is not subject to unemployment tax, Mark Lou is not subject to unemployment tax and no member of the board is subject to unemployment tax and nobody that we would hire as an employee is subject to unemployment tax because it is an exclusion by the State of Indiana for government employees.

Peggy: You were going to ask about insurance.

Mark: The insurance I asked Denny Powers and the investigator is covered under Workman's Comp and has been covered under Workman's Comp in the past when they have done their audit. So as far as unemployment tax none of us are paying any of that now and we will not in the future.

Peggy: What about SS and all of that?

Mark: SS has to be withheld and it is being withheld as of employees starting January 1 at the advice of Mr. Buschmann that we consider that to be the...

Peggy: The investigator?

Mark: The investigator.

Peggy: Ok.

Dave: I want to get that answer for you, I don't know what the question was.

Greg: It is the one about the liability?

Mark: He is covered under our liability.

Dave: Oh I know what it was. We never did say whether the investigator was to be considered an employee or a contractual person.

Mark: Mr. Buschmann, didn't I hand you that?

Dave: I got what Mr. Buschmann said.

Mark: That is the position I'm taking, is that he is an employee.

Dave: Mr. Buschmann does not say that.

Mark: I'm taking the position that he is an employee.

Dave: You have the authority or responsibility whatever you want to call it of setting his salary?

Mark: Right.

Dave: I don't know that you have the responsibility to say that he is or is not a contractual person according to his answer.

Mark: I have determined until you can prove that I can't do it, I have determined that he is an employee based on our legal counsel.

Dave: Who is our legal counsel?

Mark: Well in this particular case I used Mr. Buschmann.

Dave: But he does not say that.

Mark: In my discussions with Mr. Buschmann I have the authority to do that and I have done that. If you want to talk to Mr. Buschmann you can talk to Mr. Buschmann.

Dave: I don't want to talk to Mr. Buschmann.

Mark: That is what he indicates in his email also.

Dave: His email said that we have a choice.

Mark: I made the choice.

Dave: You have the choice?

Mark: I have the choice.

Dave: Well I hope then Mark that you would use your knowledge which I know you have and do the right thing for the people of WRT and show your true colors and use them as an independent contractor which you should.

Mark: I determined he is an employee.

Dave: I heard what you said and you heard what I said.

Mark: I'm going to stay with that.

Dave: You can if you want to.

Mark: I'm going to.

Dave: But it will be challenged.

Mark: I don't have a problem with you challenging me on that but I think based on what my discussions with Mr. Buschmann...

Dave: Well read what he wrote you, it is in writing.

Mark: And I have had discussions with him too. I believe that if you talk to him, it is my decision to make, whether he is employee or whether I'm going to hire him as an independent contractor.

Dave: It is not in there, it is not in the papers that you gave us.

Mark: If you want a definitive answer from me I will make that phone call tomorrow morning and I will give you a definitive answer.

Peggy: I'm surprised, Mr. Buschmann always provides an email.

Mark: He has that in writing. We have the email on that. You have a copy of that email.

Dave: But it does not say that.

Peggy: So he fills out a W-4 as well? You don't make him a 1099?

Mark: Yes. He got a 1099 for last year and he will have a W-4 in our payroll system this year.

Peggy: What is the benefit?

Mark: What is the benefit? If you go back and look at, this is a stickler I don't know if you really want this on record or if you want to end the meeting and then I will tell you.

Dave: I want it on record.

Mark: Alright what it says is the opinion I have received from others is that we should have always been withholding SS and Medicare from all of our investigators from all the way back when Kelso was the trustee.

Dave: Say that again.

Mark: That they have been considered an employee...

Peggy: Who said that?

Mark: Anytime that they weren't, Mr. Buschmann. We have had investigators in the past that...

Peggy: So Mr. Buschmann said back when Kelso was trustee or whatever investigators should have been withheld.

Mark: Anybody that was not in an incorporation was an employee.

Peggy: Anybody that what?

Mark: Was not an incorporation that did investigations for the township was an employee.

Peggy: But since we are not incorporated...

Mark: Not us, the individual. You go back to when Mr. Kelso was...

Peggy: Meaning if they do not have a...

Mark: Meaning if he hired Mr. X to do his investigations and he gave Mr. X a 1099 or whatever, he actually should have withheld SS and Medicare taxes for that individual should he give them a 1099. That is Mr. Buschmann's opinion.

Peggy: But he did not write that down right?

Dave: No.

Bill Heller: Maybe I can shed a little bit of light on this.

Dave: Would you just hang on a second would you?

Mark: Go ahead Bill.

Bill: I was a personnel manager and there is a very clear distinction between an independent contractor and an employee. An independent contractor can basically do things the way they want to do them without direction of an employer and in this case you set the person's pay, you tell him where to go to do the investigations all of these things that take him out of realm of being an independent contractor. He has deadlines he has to meet and so on.

Peggy: So if you fire him...end of cassette.

Mark: That is what I use.

Forrest: Mark I was on the Board myself when Kelso was the Trustee he always did the investigations himself I don't recall him ever hiring anyone.

Mark: I am just saying if he did or anybody that Mr. Maple would have hired. We had those.

Greg: Anything else from anybody? With that being said do I hear a motion for adjournment?

Dave: Do what you want to do.

Peggy: I make a motion to adjourn.

Greg: Do I have a second? I will do the second. All those in favor of adjourning the meeting indicate by saying Aye.

Greg & Peggy: Aye.

Greg: All those that say no.

Dave: No.

Greg: Against, there is one Nay, the Ayes have it. The meeting is adjourned.