

Friday, September 9

16

The Bainbridge Township Trustees met in special session at the Bainbridge Township Town Hall on September 9, 2016. Those present were Mrs. Lorrie Benza, Mrs. Kristina O'Brien, Mr. Jeff Markley and the Fiscal Officer, Mrs. Kathleen Staudenbaur.

Mrs. Benza presided and called the meeting to order at 3:31 P.M.

The trustees met to discuss a transfer of funds from the township's debt reduction account. This fund was set up to service and retire the Fire and Police Bonds. The Fiscal Officer met with Mr. Al Weilacher of Morgan Stanley on two earlier occasions and was advised by Mr. Weilacher that this account was overfunded. He suggested making the transfer of money to reduce the amount in the debt reduction account. Mrs. Staudenbaur did not act on this request right away. Mr. Weilacher will be presenting to the trustees at the next BOT meeting with his yearly update. He requested that the money be transferred before his presentation.

On September 7<sup>th</sup>, Mrs. Staudenbaur sent an email with an attached Word document to Mr. Weilacher that authorized him to "transfer funds so that the accounts will match our records." The correspondence did not identify account numbers, did not direct a destination account, did not have a valid signature, was not addressed properly, and was in a Word format, not a PDF format. The trustees had issues with this as she did not follow township protocol or policy regarding money transfers. They were fearful that her actions put the township and Mrs. Staudenbaur at risk. Mrs. Staudenbaur then provided the trustees with Resolution 09092016-A in which she asks for the money transfer approval. This also goes against township policy as it should have been approved before she requested the money transfer from Mr. Weilacher.

There was much discussion amongst the trustees and Mrs. Staudenbaur about what was being accomplished with this transfer of funds. The trustees were trying to understand what they were being asked to approve. Mrs. Staudenbaur had difficulty answering their questions and seemed not to grasp the severity of the situation, which concerned the transfer of \$2,247,814.00. She was confused about whether a resolution was needed even though the directive came out of the Fiscal Office after the recently completed biennial audit for 2014-2015. She also admitted that she did not understand the difference between a PDF and a Word document or what constitutes an electronic signature. The trustees explained that she put the township at great risk with her lack of knowledge in these matters, and questioned the fact that she did not attempt to contact anybody who might be able to guide her through the needed procedure. Mr. Markley asked that Mrs. Staudenbaur stop using the excuse that she is new. He suggested that she call other seasoned, local Fiscal Officers for help and to check with our legal counsel before she takes action.

The trustees made a number of changes to the resolution to make it accurate and to remove the actual bank account numbers as it is a public document.

With needed changes in place, Mr. Markley made a motion to approve Resolution 09092016-A, as revised by the trustees, authorizing the transfer of \$2,247,814.00 from the Debt Reduction Account to the MS Main Account to more accurately reflect the outstanding debt in the Police and Fire Station Bonds.

Mrs. O'Brien seconded the motion that passed unanimously.

Since there was no further business to come before this special meeting of the Bainbridge Township Board of Trustees, the meeting was adjourned at 4:45 P.M.

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16

Respectfully Submitted,

Kathleen C. Staudenbaur  
Fiscal Officer, Bainbridge Township

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Name Date

\_\_\_\_\_  
Name Date

\_\_\_\_\_  
Name Date

Minutes Read: \_\_\_\_\_

Minutes Approved: \_\_\_\_\_