

**Village of Covington Ohio
Record of Proceedings
Covington Village Council Special-Called Meeting
October 20, 2009**

Covington Village Council met in Special-Called session on Tuesday, October 20, 2009 at 7:00 p.m. in the Covington Government Center with the following members present: Marc Basye, Scott Tobias, Doris Beeman, Dick Rice, Edward L. McCord and Ann Bell. Mayor Donna Kay Dewey presided at the meeting. Lenee Brosch Attorney, from the law firm of Shipman, Dixon & Livingston was also present.

Pledge of Allegiance was given to the flag.

Purpose of Special-Called Meeting: Deficiencies of 2006-2007 audit/Preliminary Findings.

Rice, Council President, said State Auditor has not yet released the audit report. Auditors will be back in November 2009 and next spring for 2008-2009 audit. Council has been looking at some outside sources to review audit and take corrective action internally. The draft copy of audit can't be released yet as it is not official audit.

Rice said there were ten findings; however, a couple of them are being looked into by auditor.

Two biggest problems are fiscal officer's books are not computerized. This will be done by 2010. There were some payroll irregularities in late payments and with W-3's. Purchase orders are to be used; this was finding in previous audit and has not been corrected. Bank statements were not reconciled. Various reports were not submitted to Council.

Corrective action will be taken on these items.

McCord said we have an obligation to make sure books are in order. There will be certain things that will have to be done; no ifs, ands or buts.

This is almost November and a lot has to be in two months.

McCord said tax dollars have been handled correctly. There was no fraud. Extra help is needed.

Rice said Council will be seeking help from outside sources such as an accounting firm to get computerized. This will take care of many things.

McCord said he had talked to a local accounting firm but they were not interested. Other accounting firms contacted have their own jobs and tax time is coming.

Beeman said outsourcing payroll at this time would give Fiscal Officer time to get information into computers

Basye said he has contacted three different companies; ADP, PayCorp, and PayChecks. All three were highly recommended. He will give this information to Finance Committee.

Time clock for employees – one department uses a time clock, the other two do not.

Rice said audit Committee was also recommended by Auditor. This would consist one councilmember and/or the mayor along with citizens. One citizen, a local CPA, has agreed to be on the committee which will meet semi-annually.

Tobias said he has nothing to report at this time.

Rice said position of assistant fiscal officer on part-time basis will be advertised in the near future. This person could assist in daily functions. Job description has been approved. Council is looking at transferring water/sewer and trash collections to Police Clerk. His computer will have to be hooked into utilities.

McCord said nothing is set in stone; Council hasn't voted on anything. He stressed there were no criminal findings whatever; basic bookkeeping issues have to be corrected. Council is looking at different options and are open to ideas. McCord said he will contact some other accounting firms.

The Mayor asked for any questions from anyone else.

Rice said majority of items can be done by computerizing.

McCord said things Council is looking at are temporary solutions; they want Fiscal Officer to be able to work with any outside help. Any thing done is temporary with all coming back to Fiscal officer.

Nancy Swigart asked if was common place for small communities not to be computerized.

Rice said if Computerized a lot of the errors would not have occurred.

Further it is unusual for any business not to be computerized at this time.

The Mayor said Auditor told her we were not only Village with this problem; it is commonplace throughout the State.

Swigart said mistakes do happen.

Dwayne Robertson said there is an orange wire at corner of his property; he doesn't know who to call.

The Mayor said this is a special meeting but invited him back to Council meeting on October 26th to discuss this.

Chief Harmon said he would look at it next morning.

Meeting anjourned at 7:30 with motion by Bell and Beeman.