

**Winona Lake Town Council  
Meeting Minutes  
April 21, 2023**

**The Town Council of Winona Lake, Indiana met in a special session on Friday, April 21, 2023 at 5:00 p.m.**

COUNCIL MEMBERS PRESENT: Rick Swaim, James Lancaster, Austin Reynolds, Heather James, and Ashley McGinnis

COUNCIL MEMBERS PRESENT (ZOOM):

ABSENT:

OTHERS PRESENT: Craig Allebach, Laurie Renier, and Joe Hawn

OTHERS PRESENT (ZOOM): Megan Lincoln

**Opening** – Austin opened the meeting with prayer and the Pledge of Allegiance.

**Approval of Claims**

- Rick called for approval of the April 18, 2023, claims.
- Discussion continued from the last meeting regarding checks issued prior to the council's approval at the April 18, 2023, meeting. It was discovered that all checks had been mailed prior to the meeting. Laurie stated this is not standard protocol and she was not aware that all the checks had been mailed, but all but two of the claims processed were believed to qualify as payable claims prior to the council's approval under the town's ordinance. Council disagreed with some of the claims falling under the categories in the ordinance.
- There was further discussion about a list that was provided to council showing which item on the ordinance each claim qualified under. Ashley said there were some claims marked as qualifying because they would have been late but that reason was not a reason included on the ordinance. Laurie said late fees are not allowable expenses to use taxpayers' dollars to pay. Jim disagreed with the list provided, stating someone spent time justifying the reasons claims went out against an ordinance, when really isn't accurate. Laurie said she was trying to provide the information that was questioned at the meeting and that until a recent meeting with the clerk at the City of Warsaw, our office was unaware that an ordinance existed to pay claims out of the normal claims cycle, which is what was used to justify paying the claims in question. Laurie said she believed the reasons given followed the ordinance, she apologized and said it will not happen again. Laurie said January, February, and March, came to you like they always do and April's claims went out because we thought the ordinance allowed them to go out.
- They talked about year-end reporting and bank reconciliations and why these things were not done on time. Laurie said that a town employee, who had done the majority of the former clerk treasurer's duties, had quit after only giving a three-day notice and she had done the work since 2017 and did not leave the office any written instructions on how to

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do any of the work. She said she is working very hard to learn all the things necessary to run the office but when you are behind, and you have to get the work done, you have to hire someone to help you. Additionally, there was an error made in payroll and this created a need to print checks today in advance of direct deposits, but the problem has been fixed.

- Jim asked that the clerk treasurer make council members aware before mailing any checks for claims to be paid under the town ordinance and also asked to be provided with the total amount of expenses paid to Baker Tilly for consulting expenses for help with completing the 2022 year-end report.
- Jim moved to approve the claims as presented, noting that 100% of the claims have been made and checks mailed prior to council's approval at the meeting. Ashley seconded. Motion passed.

### **Floor Topics**

- Joe Hawn asked if the error in payroll would affect his employees' benefits. Lisa Sands, payroll deputy, explained that changes were made while entering payroll. Corrections were made but incomplete instructions were given to her by our vendor. When it was discovered that only one employee was expected to get their check deposited, checks were issued to ensure employees would be paid on time. Several employees then received the direct deposit and had to return the check. Jack Birch stated there would be no impact to anyone's benefits since money was paid out and returned.
- Unknown speaker asked with this much disturbance going on, what background does the other person running have. Rick said that was not something that would be discussed here.
- Jack Birch said this is beyond just asking questions. She is an elected official and she's trying to do her job. In response to the checks being mailed out, there is no inconsistency. It was an error that she realized after the last meeting. The fact that she explained why, even though it's an error, it fell within what they believed fell within the ordinance. Although council may not like it or may disagree, it is not inconsistent. I don't think Laurie has done anything that is not above board. She has been honest and has given you the answers you have asked for. With respect to training, I don't know anyone who hasn't held the position before, that can do the job without the first year or even multiple years of going through the training. Laurie won't tell you, but she asked on multiple occasions for the employee that quit to tell her what she did and to let her learn what she did and that was rejected. Without SOP's, which are not there, even though they should have been done based on the last audit in 2017. She's flying blind so whether you want to or not you should cut her a little slack. What I see here is an effort to tear her down and throw mud at her without an opportunity to defend herself. Jack and Jim had a brief discussion on the way issues were being addressed.
- Rick said he has been anxious and losing sleep over this whole process since this began several weeks ago, and he has been very comfortable with the questions that were asked, the tone with which they were asked, and feels that it's all been appropriate. Not only are the town employees her responsibility but they are our responsibility so we are taking care of them, in bringing these issues up. This isn't about politics, now maybe for some, and I'm well aware of what's going on., but we are here to get things done correctly.

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- Teena Pence said she took over for the previous chief deputy and asked why when she and Laurie realized that there had been errors and problems that existed long before taking on their duties, they reached out to Rick and Ashley. Rick said his suggestion was to get help from local people and you chose not to do that, someone who knows what they're doing. Teena asked, as an employee of the town, separate from all of this, my job is to do the best I can, and we came and told you we had problems and we need help. Rick stated that is not his job. His job is to okay claims and the budget, not to do Laurie's job.
- Jerry Nelson said he has been coming to council meetings since before any of the current members were elected. Prior to Kent Adams coming in, this council did not approve the claims. They were mailed out. Rick asked him to please stop talking.
- Megan Lincoln said she wanted to speak to some things she had heard and to be transparent and clear, that when she left in December of 2022, she had offered to help in any way possible after hours and on weekends. She hasn't been reached out to once by the clerk treasurer's office. Unknown speaker said to Rick that this doesn't meet the criteria of the council's allowed topics. Rick said he appreciated Megan's comments. Rick said he believes it does meet the criteria since her name has been brought up, not just tonight.
- Jack Volkens said I have not heard once that the town didn't owe money that was paid. He addressed Jim and said he assumes he has a controller and that he does not approve every bill unless you specifically tell them not to pay something until you see the bill. It makes no sense for council to go line by line to review claims, which is what you had suggested, because the town has to pay the bills they owe and thinks the clerk treasurer is in charge of doing that. Jim said his reason for wanting to go line by line was because the checks had all been sent. Rick said he does go through line by line and has asked questions in the past. Jack said things wouldn't necessarily need to be asked here and Rick said he wouldn't dispute that.
- Jim LeMasters said obviously there's a much bigger mess than what he thought the other day and that Ken informed him on some stuff. He said when they do prior-to's at the school, the CFO can sign off on that. If no policy exists here, a likely candidate to do this would be the council president. Mistakes and things do happen and it's too bad it happened to happen right now because he agrees part of this doesn't look good. He loves the town, it's a great place to be, and he just wishes we could all get along like we should.
- Laurie said she wanted to answer the question of who the gentleman in the suit is. He is Jack Birch and the reason he is here is because there was an executive session called on February 24 of this year that was not advertised and was illegally held. After that happened, she felt very uncomfortable not having representation and there is law that says she can have her own attorney separate from the town. There was a discussion about the method of payment for the attorney services. Jim said the statute says it's okay for the clerk treasurer to have their own attorney but I think that has to be budgeted and approved for by the council. Laurie said she has not received a bill for Jack Birch and her agreement with him was that she would pay for his services herself if she had to. Rick said we would definitely need to do more research on this. Jim said the rules at the school are that a person can spend up to a certain amount before they need authorization from the board.

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- Kristie Maiers, park board president, asked so that she and the parks director can continue to write grants to finish the \$1.2M project at the park, how much longer before we are caught up with 2023. Rick said to speak with her individually to get that information. Laurie said the reports were ready as of today but due to time constraints it wasn't emailed to you but you will have it tomorrow.

**Meeting was adjourned** – Austin motioned to adjourn. Meeting adjourned at 6:05 p.m.

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RICK SWAIM  
PRESIDENT

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LAURIE RENIER  
CLERK-TREASURER