

REGULAR DSESSION

January 26, 2010

Mr. Ferrell called the meeting to order at 6:00 p.m.

Trustees Michael Printy, Timothy Coleman, and Jeffrey Ferrell answered the roll call.

The next scheduled meeting is the Work Session on February 2, 2010.

Mr. Coleman moved to accept the agenda as presented. Mr. Printy seconded the motion. All were in favor.

Mr. Coleman moved to approve the Financial Statements for the period ending January 26, 2010. Mr. Printy seconded the motion. All were in favor.

Mr. Coleman moved to approve the Minutes from the Regular Session of December 22, 2009. Mr. Printy seconded the motion. All were in favor.

Resolution #2010-0011
REQUEST ADVANCE OF \$500,000

Mr. Coleman moved to request an advance of \$500,000 against the first half 2010 Real Estate Taxes. Mr. Printy seconded the motion. MS. Schaefer noted that this would be the second advance with settlement to follow in March/April. Mr. Coleman asked how long it takes to get the advance. Ms. Schaefer said only a couple of days, as it is direct deposited into our account. Roll call: Mr. Printy, yes; Mr. Coleman, yes; Mr. Ferrell, yes. Resolution adopted.

Resolution #2010-0012
ACCEPT DEPARTMENT INVENTORIES

Mr. Coleman moved to accept the inventories from the Administration, Fire, Highway, and Police departments. Mr. Printy seconded the motion. Mr. Ferrell asked who gets a copy of the inventories. Ms. Schaefer explained that one copy goes to the Erie County Engineer and one copy goes to our insurance company. Mr. Coleman asked that he be given a copy also. Ms. Schaefer asked if a disk would be acceptable as there are over 100 pages. Mr. Coleman said that was okay if in Excel. Roll call: Mr. Printy, yes; Mr. Coleman, yes; Mr. Ferrell, yes. Resolution adopted.

Resolution #2010-0013
SUPPLEMENTAL APPROPRIATIONS – POLICE DEPARTMENT

Mr. Coleman moved to approve the following supplemental appropriation:

2221-210-519 Other Expenses	\$178.00
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Mr. Printy seconded the motion. Mr. Ferrell questioned why there was a supplemental. Ms. Schaefer noted that this was one of the Police Departments special funds and nothing had been appropriation from those funds. Roll call: Mr. Printy, yes; Mr. Coleman, yes; Mr. Ferrell, yes. Resolution adopted.

Resolution #2010-0014
CHANGE STATUS OF DISPATCHER TAMMY DUNCIL

Mr. Coleman moved to change the status of dispatcher Tammy Duncil from Full-time to Part-time effective January 24, 2010, at the starting rate of \$8.50. Mr. Printy seconded the motion. Chief Klamar explained that Dispatcher Duncil had decided to go back to school to receiving training in a different field, but that she still wanted to work on a part-time basis. Mr. Ferrell asked what the pay scale was for part-time employees. Ms. Schaefer said it was \$8.50-\$9.50-\$10.50. After some discussion it was decided that Ms. Duncil had the years of service for the \$10.50 rate. Based on this, Mr. Coleman amended his motion to include the rate based on the years of service Ms. Duncil has. Mr. Printy seconded the amended motion. Roll call: Mr. Printy, yes; Mr. Coleman, yes; Mr. Ferrell, yes. Resolution adopted.

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Resolution #2010-0015

HIRE JAMES SHIRLEY, FULL TIME DISPATCHER

Mr. Coleman moved to hire James Shirley as a full time dispatcher, Class C, as of January 27, 2010 per the rate in the current contract. Mr. Printy seconded the motion. Chief Klamar explained that Mr. Shirley was hired as a part-time officer recently. He had previously been full-time with the department. He was anxious to become full-time again. Mr. Printy noted that with the other resolution we were just changing the two positions, resulting in a savings to the Township. Cheryl Best Wilke asked how many dispatchers there were. Chief Klamar said that there were five. Roll call: Mr. Printy, yes; Mr. Coleman, yes; Mr. Ferrell, yes. Resolution adopted.

Resolution #2010-0016

AMEND AGREEMENT WITH CITIZENS BANKING COMPANY

Mr. Coleman moved to amend the depository agreement with Citizens Banking Co. to include new security measures for ACH transactions. Mr. Printy seconded the motion. Ms. Schaefer explained that Citizens Bank has put into place additional security to prevent hackers. There are tokens issued to each person. The Board decided to get a total of three tokens so that each user has their unique ID. Roll call: Mr. Printy, yes; Mr. Coleman, yes; Mr. Ferrell, yes. Resolution adopted.

DEPARTMENT HEAD REPORTS:

Fire Department

Chief Myosky said that there was some warranty work done on #222. There was a faulty seal. Carnegie Motors was doing the work. While they were here, they looked at the ladder truck. There have been leaks in the air system. It will need to be taken in. He is in the process of getting the estimate for the work to be done.

Chief Myosky reported that the Fire Department annual report had been submitted.

Highway Department

Superintendent Sternberg reported that they have been busy clearing snow. They have used the first \$20,000 in salt.

Mr. Sternberg said that Brian Kuns, park inspector, had submitted a report of unsafe equipment that is to be removed. The replacement equipment had been part of a grant received from the Sandusky/Erie County Community Grant program.

Mr. Coleman asked if the equipment had been removed. Mr. Sternberg said that it had not. Mr. Coleman said that if the equipment was that much of a hazard, it should be removed.

Police Department

Chief Klamar said that he had been looking at something to replace the suburban that we are in the process of selling. He said that the Explorer was more of what they needed. He said that the governmental price for a new one would be better than purchasing a used one with substantial mileage. The suburban would be sold on e-Bay. He would anticipate getting \$16,000 each for the two we have. The estimate cost of a new one is \$22,500. Mr. Ferrell asked if the Ford was on the State bid. Chief Klamar said that it was not, the Tahoe was. Chief Klamar had provided the specifications to Ms. Schaefer to be advertised. He is also planning on replacing the DARE car once the Appropriations are adopted.

Mr. Ferrell said that he believed that it would be wiser to sell the vehicles first so that we would know how much money we had. Chief Klamar noted that they have one listed now, which will end within a week. So he is asking that they authorize the advertising now.

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Resolution #2010-0017

AUTHORIZE THE PURCHASE OF TWO FORD EXPLORERS

Mr. Coleman moved to authorize the advertisement of the purchase of two Ford Explorers for the Police Department with bids to be opened on March 2, 2010. Mr. Printy seconded the motion. Roll call: Mr. Printy, yes; Mr. Coleman, yes; Mr. Ferrell, yes. Resolution adopted.

NOTICES:

Ms. Schaefer presented the Motel Tax report for the year 2009. It shows a yearly decrease of 14.03% and a December decrease of 7.13%. Mr. Ferrell noted that \$100,000 was a sizeable decrease.

TRUSTEE DISCUSSION

Mr. Ferrell asked Chief Klamar were he was with the forfeited cars. He said that he had had a meeting with the prosecutor's office. He was hopeful that he would have had an answer by now. He will continue to try to contact the court. He is now hoping that he will be able to have the cars by February. Mr. Coleman said he hoped that we do not get into this situation again. Chief Klamar said that we would not as long as he is here. Mr. Printy noted that we have a procedure in place for the new cars. Chief Klamar agreed and said that the Sheriff would not want vehicles in his storage for an extended time.

Mr. Printy asked that time be set aside at the next work session for him to discuss and ask questions regarding pending issues.

Mr. Ferrell noted that Dean Frederick might be attending the meeting of February 2nd to start the Bell Avenue study. Cheryl Best Wilke asked what he was studying. Mr. Ferrell said that they had requested that he present a plan for the use of the property. The study would obtain input from the citizens. This would be an aid in obtaining grants for the development. Mr. Coleman said that the Park Board was also developing an official name of the park to present to the Board. He had reviewed the budget with the Park Board.

Mr. Ferrell reported that the recycling committee met last Thursday. Items discussed was how it affects the landfill, the benefits of recycling, the cost, various options. He would like to place the information on as many of the websites as possible. He would also like to place a survey on a site that only allows one response per IP address. Other ideas were to place a notice on the monthly water billings and place something in the school's mailing.

PUBLIC FORUM

Cheryl Best-Wilke, Pennsylvania Avenue, asked if there was any update on the investigation of the firearms. The Board had not received anything directly. Mr. Coleman said that he believed that it was still on going.

Mr. Ferrell welcomed Dave Petrick, Allied Waste, to the meeting. Mr. Printy said that he planned on visiting some of the haulers.

Ms. Wilke asked if any of the Trustees were going to attend the meeting at the school to discuss facilities. Mr. Coleman said that this has been an on going discussion for the last several years. The Board would be there as individuals, but not as part of the panel. Mr. Printy said that he believed that as the project goes forward, he believes that they will be invited to have more of a part. Mr. Ferrell said that he does sit on one of the committees and their plans for the future are very exciting.

Mr. Coleman moved to go into executive session to discuss personnel in the police and highway department. After that they will return to regular session to work on the budget

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of the Fire and Highway departments. Mr. Printy seconded the motion. Roll call: Mr. Printy, yes; Mr. Coleman, yes; Mr. Ferrell, yes. Motion adopted.

Mr. Coleman moved to return to regular session. Mr. Printy seconded the motion. Roll call: Mr. Printy, yes; Mr. Coleman, yes; Mr. Ferrell, yes. Motion adopted.

The Board then worked on the budget with the Fire Department. The Fire Department was working on version I. They were to eliminate approximately \$109,000 to meet the budget level requested by Mr. Ferrell. Chief Hodges said most of the cuts came out of the salary account and related payroll accounts. They eliminated one pay period, which is roughly \$45,000 for the full time.

The other goal was to set aside the \$100,000 for the building and \$150,000 for the equipment. Chief Hodges said that their goal was the same of the Trustees to set the money for the future purchase. Mr. Coleman said that they want to have the money set aside so that they roll over. Chief Myosky explained why the cost of the squad was more than the standard squad.

Mr. Printy said that he had reviewed the changes and believes that they have been responsive to the guidelines that were set by the Board. Mr. Coleman asked if there was anything in the budget that the Fire Department was uncomfortable with, or things that the Board should be aware of long-term.

Chief Myosky asked if the money in the reserve accounts would be placed back in the 2192 accounts. Ms. Schaefer explained that the money is already there in the carryover amount. Chief Myosky asked if his Appropriation status would reflect \$2.9 million dollars. He wanted to know if his money was tied up in investments that would require him to play a waiting game if they were to order the squad, or if they needed to replace the roof at Station #3. Chief Myosky said that the whole reserve investment thing alarmed him because they have no financial planners. He hears people that have invested in stocks and bonds that are still crying the blues. The fire department money has always been kept in a saving account where it is available with a phone call and transfer of funds. The bottom line is, with talking to Mr. Coppeler, if the money has a purpose for that fiscal year and is not immediately available, he (Mr. Coppeler) would advise against it.

Chief Myosky wanted to know where we were with the Reserve account or Investment account. Mr. Coleman was not sure what Chief Myosky was asking. Chief Myosky wanted to know where the quarter million dollars was. Ms. Schaefer explained that the Board had passed a resolution at the end of 2009 to establish the special funds and reserve funds. Mr. Ferrell said that this was reversed. Ms. Schaefer said that it was reversed when they adopted the Temporary appropriations. The money never went anywhere. Ms. Schaefer said that if they had continued with the plan the money would have gone to a capital asset fund to build up over a period of 10 years. Mr. Coleman said that they were looking at a fund for buildings and one for vehicles established for those purposed where the funds would automatically rollover year after year until the purchase is made.

Chief Myosky said that it was his understanding that his funds do not go back into the General Fund. They stay within the Fire Fund. Mr. Coleman tried to explain that once funded the Capital Asset fund would build based on whatever level the Board established. If it stays in the Fire Fund, it gets lost in the mix. If there money set aside for a building stays in the Fire Fund, the union would see it as available for raises. If it is in a separate account (Fund), then it is not included in those Funds.

Chief Myosky said he was told that until there was a blue ribbon committee that the money would stay in Fund 2192. Mr. Coleman said that he did not know anything about

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that. Chief Myosky claimed that Mr. Ferrell told him that. Ms. Schaefer said that the money has not been transferred.

Chief Myosky said that the Appropriation status sheets that he has received for 2010 show zero in those funds. Ms. Schaefer said that in the Temporary Appropriations the Board did not appropriate anything yet.

Chief Myosky claimed that the idea of the reserves came in from the blue. None of the Board were financial planners or licensed brokers. He claimed that he came to the Board and they agreed to set up a blue ribbon committee, finance committee. But it has not been done. He wanted to know if on his next report would those line items remain at zero. Mr. Coleman asked what line items was he talking about. He was referring to the Appropriation status report Fund 2192, the line item for Building and for Vehicles.

Mr. Coleman wanted to know what the question was. Chief Myosky wanted to know where the money was. Is it invested, brokered? Is it available to be used as collateral?

Mr. Coleman stated that it is his understanding that if the budget were adopted as it is now, it would go back into the line items and is not invested. Ms. Schaefer said that they were confusing two different things. When the Board adopts the Permanent Appropriations per Version I the amounts will go back into the line items. The actual money is different and at any one time it could be invested. We cannot invest in stocks. We can only invest per the policy adopted in 1997 in CDs, repurchase agreements, or other instruments covered by FDIC and StarOhio and for a maximum of two (2) years. But because the interest rates in StarOhio are so low, we have been transferring money out of there. We earned more on the regular checking account. The other money is invested in CDs through either UBS Financial or Citizens Banking. The ones through UBS are callable and we have access within 24 hours just like we do with StarOhio. Mr. Coleman said that this sounded like access was just like with the bank. Ms. Schaefer said they are called liquid CDs.

Chief Myosky wanted to know if this was a Board decision. Mr. Printy reviewed what had happened. When we set up the accounts at the end of the year, it was his opinion that no cash moved. It stayed in the various accounts. In a short time the passed a resolution to undo the reserve accounts. The cash never moved. When they passed the Temporary resolution, it says here is how we are going to allocate the funds that we have for 2010. At that time and still at this time, it represents a game plan as how we are going to spend our money. It is his expectation that as they go from temporary to permanent appropriations per the work that the Fire Department has done, those amounts will go back in to the appropriations. But in doing all of this, he is convinced that no cash has moved.

Chief Myosky said that over the last five years they have been given carte blanche with his funds and if they run out of money they lose people. He says that they have repeatedly shown that they have been able to manage their funds. Then there was talk about having \$400,000 earmarked for something. And then he hears that a quarter million has been set aside.

Chief Myosky said that he had asked that who was going to do this and on whose advice. He received no communication. He claims that the resolution that was adopted in December and changed in January was done because he was asking embarrassing questions that no one was prepared to answer. Then Chief Hodges was given assurances that if they were able to meet the goal, their account would be left intact.

He said that everyone has this grand scheme, but no one has any information and it is alarming. Mr. Coleman said that he made an assumption that the Chief was being

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informed of what was happening. He said that even when Pam was here, the Trustees were made aware of when they had funds available to invest and the options available.

Mr. Coleman continued by saying that while not financial planners, they did have a fiduciary responsibility that they take seriously. Chief Myosky said they take it seriously also and he has communicated with the Board. But the lack of communication is alarming. Chief Myosky said that if he is making a big deal over nothing, please tell him. Mr. Coleman said that in a way he thought the Chief was. The Chief has concerns, but so do the Trustees. They take the money that the taxpayers have given and look at what is needed. The Board had decided to have a trust line, identify what is needed in the future, and start savings for that. If the Fire Department gets the grants for the building, that is a huge feather. But what happens if they don't? Mr. Coleman doesn't want to take out a loan. But looking at the budget and what is there, there is room to start saving for it.

Mr. Printy said that if the Trustees want to set up the reserve account, they need to do it with full participation with the leadership of the Fire Department. We both have the same objective. When the reserve accounts were set up, he observed the surprise by both Chief Myosky and Chief Hodges. He believes that they need to find the right way to save money.

Captain Wohlever noted that the funds automatically roll over year after year. He said that there is a possibility that they will lose substantial amounts from EMS collection because of proposed changes. He wanted to know if the money that was set aside in these accounts would be available to be reallocated if needed. Mr. Coleman said that it was his understanding that the money was not locked in. Ms. Schaefer said that the money does roll over, but that if needed it could be returned to the fund that it came from. Chief Myosky asked if it could go to another fund. Ms. Schaefer said no, it had to go to the fund it came from. Mr. Printy pointed out that when we are talking about transferring, we are not talking about cash. We are talking about allocations.

On the investment issue, Ms. Schaefer pointed out that all the Township money is part of a pool. None is strictly fire, highway, police, or general. The money invested as invested as part of a pool. Mr. Printy noted that the allocations are part of the plan. The allocation sheet does not represent cash until we spend it.

Ms. Schaefer also noted that there is another reason to set up the Reserve accounts. Although she is not aware that it has ever been done, but the County Budget Commission could say that the Township has surplus money in the General Fund, the Fire Fund, etc. They could say that because of the surplus we do not need as much inside millage. If it is in a separate Capital Asset fund, the Budget Commission does not have that authority. The same reason for Union negotiating. Mr. Coleman agreed with the explanation.

Mr. Printy said that he believed that areas like Huron Township were probably doing the same thing. Ms. Schaefer said that she believes that any Township that receives large amounts of Estate Tax would be doing the same. Mr. Coleman asked if he had answered the Chief's questions. Chief Myosky said partially.

Mr. Printy said that maybe the establishment of the finance committee would be the first step. The first step was to decide how many would be on the committee. If there are too many people, you may not get anything accomplished. Mr. Coleman also said that because of his ethics training, he does not want anyone who is involved in investing would have to sign off that they would not benefit from the Township's investments. We want them for their knowledge, not for them to profit by being on the committee. Mr. Ferrell suggested 3-5 people. Previously the Board had talked about a CPA, a banker, and a person who invested governmental funds. Ms. Schaefer said that for her pick, she had contacted Lisa Crescimano, Treasurer of Perkins Schools. Mrs. Crescimano was

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willing to serve on the committee. Mr. Printy asked if they should have one Trustee as opposed to all three on the committee. Mr. Coleman questioned whether it was necessary for any of the Trustees to be on the committee. It was agreed that the Fiscal Officer should be on the committee because she is the source of the information.

Mr. Printy asked how often the committee should meet. Mr. Ferrell said that would depend on how often we had money to invest. Chief Myosky said that he had gotten a list of the investments that the Township had and submitted them to four different banks. He has gotten four difference summaries. There is money invested in the Bank of Argentina, Puerto Rico, and in India. He realizes that it is part of a group of money, but it seems strange that there is money invested outside of the country. He has reports that he would like to submit. Anyone that he would recommend to be on this board would be interested in getting our business. But he will send copies of the reports and will forward them to the Trustees e-mails.

Ms. Schaefer noted that the Bank of India is actually a bank in New York. Chief Myosky said that they were amazed with the length of the investments, why we had stayed with certain investments as long as we had when there were other investments available. He claims that the accounts were set up when Lisa Crescimano was here and they have basically stayed stagnate. Mr. Coleman said that he would be willing to look at anything the Chief had.

Ms. Schafer cautioned that when requesting quotes, you must be certain to advise that you are talking about the investment of public funds. There are different rates for public funds as opposed to business and/or personal. Ms. Schaefer said that before she invests any money she calls the local banks to get the current rates. The last call is to UBS to get their interest rate. UBS is audited by the State of Ohio and meets the compliance requirement about institutions domiciled in Ohio. On the previous audit, which covered investments done prior to the start of my term, there was a comment about investing in the Bank of Argentina. We have ceased investing on CDs that are located outside of the US.

Mr. Printy agreed to draw up a charter for the investment committee.

Getting back to the budget Mr. Ferrell asked if the \$250,000 was in the rollover, was this higher than what Chief Myosky thought it would be. Chief Myosky said that his rollover was \$369,000. Chief Myosky initially estimated a \$500,000 rollover. That was before he paid off the fire truck in order to save the \$48,000 of interest on the remaining four years of the loan. He said that at time he estimated that he would have more than enough to meet the needs to carry him over to the next year. Mr. Ferrell asked if the \$100,000 was in there or not. Chief Myosky said that it was in the rollover amount of \$369,000. Mr. Ferrell asked how the Chief was available to get the revenue to balance out with the expenses. Captain Wohlever said that the majority was to adjust the salary account and tweak several other accounts.

Captain Wohlever also stressed the ethics of the people that might be on the investment committee.

Mr. Ferrell asked how they were going to get the \$300-350,000 in to the building account. Chief Myosky said that he either had the money for the reserve account or pay off the fire truck. Mr. Ferrell said that was the amount that he and the Chief had talked about. Chief Myosky said that it was a figure that Mr. Ferrell thought needed to be there.

Captain Wohlever said there was a question as to how much the EMS revenues will be. He also advised that we qualify for low rate loans for the construction of facilities.

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Mr. Printy suggested that they fix the appropriations per Version I. Mr. Ferrell said that he was prepared to do that, but wanted to be in a position to break ground within two years. Chief Myosky said that he has been given different directions from various Boards regarding various locations. Mr. Ferrell said he wanted to set the money aside so they would be able to do it. Chief Myosky said that they were not in a position to assume the liability not knowing what the income will be. No one wants to buy a building and then wait until we find another locations before we vacate.

Mr. Ferrell only wants an agreement to put as much money aside for the building of a new fire station. Does that mean cutting back of services? No. Does it mean laying off people? No. He wants to see as much as possible set aside for a building fund. Mr. Coleman says that they need to start the plan so when the next Board in, there is money set aside for long-term goals.

Captain Wohlever said that they would need to go back to the voters in three years. We need to develop a positive image both for the fire department and for the Township in general in order to get the levies passed. A renewal levy would put them back to where they were years ago. It needs to be a replacement levy.

Ms. Schaefer noted there was one technical change. The goal amount was a combination of the Fire Fund and the Motor Vehicle Accident Escrow Fund. The fire department needs to identify what portion they want to come from the Motor Vehicle Fund. Ms. Schaefer suggested that future collections could go directly into the Fire Fund and be spent directly from there. The Chief wanted all future collections to go into the Motor Vehicle Fund. If that was the case, \$14,135 of the appropriations needs to be allocations from Fund 2193 instead of Fund 2192. Chief Myosky said he understood and will get back with on this.

Other changes in Version #12 of the Appropriations were:

- 1000-110-130-0001 Reducing the Salary for Administrator to \$60,000
- 1000-110-211-0000 Reducing OPERS to \$28,061 based on the above reduction
- 1000-110-213-0000 Reducing Medicare to \$2,966 based on the above reduction
- 1000-110-211-0000 Reducing Hospitalization to \$42,985
- 2021-330-190-0001 Decreased Salaries by \$25,000
- 2031-330-190-0000 Decreasing OPERS to \$60,172
- 2031-330-213-0000 Increasing Medicare to \$6,674
- 2031-330-221-0000 Decreasing Hospitalization to \$100,875

Ms. Schaefer said that with the changes, she believed it balanced, but would suggest that some realignment be done within the highway funds so that money would only be transferred from the General Fund to one of the highway funds as opposed to all of the highway funds.

Ms. Schaefer said that as soon as the Fire Department advised her of the amounts to put into Fund 2193, she would prepare Version #13. Mr. Coleman asked if this would be the last revision. Ms. Schaefer said hopefully.

With no further business to be conducted, the meeting was adjourned at 9:45 pm.

Jeffrey Ferrell, Chairman

Diane Schaefer, Fiscal Officer