

**LIBERTY TOWNSHIP TRUSTEE  
RECORD OF PROCEEDINGS  
January 19, 2010**

The audio recording, resolutions passed, and any attachments constitutes an accurate record of the Liberty Township Trustee Proceedings at the above dated meeting as determined by the Fiscal Officer. The following summary is provided as an overview of the meeting and a “road map” to the audio recording. Copies of this record are available by request at the Township Government Office, 10119 Brewster Lane, Suite 125, Powell, Ohio.

**REGULAR MEETING PROCEEDINGS SUMMARY:**

The Trustees of Liberty Township met in regular session Tuesday, January 19, 2010, at 7:30 p.m. at the Liberty Township Hall at 7761 Liberty Road, Powell, Ohio. Board Members present were Robert Mann, Curt Sybert, and Mary Carducci. Also present were Township Administrator, David Anderson, Fiscal Officer, Mark Gerber, and Chief, Tim Jensen. Others in attendance are listed on the attached sign-in sheet.

Chairman, Curt Sybert called the meeting to order with the Pledge of Allegiance.

There was a moment of silence given to recognize the people in Haiti going through a time of tragedy.

Mr. Mann made a motion to move the minutes to the end of the meeting. The motion was seconded by Ms. Carducci and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

Fiscal Officer, Mark Gerber presented the financial state of the Township. This report is attached as part of the permanent record.

**RESOLUTION 10-0119-09: 2010 Permanent Appropriation**

Mr. Sybert moved to approve Resolution 10-0119-09 2010 Permanent Appropriation. The motion was seconded by Mr. Mann and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**RESOLUTION: 10-0119-01: Accepting “Then and Now” PO’s**

Ms. Carducci moved to approve Resolution #10-0119-01 Approving “Then and Now” PO’s. The motion was seconded by Mr. Sybert and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**RESOLUTION 10-0119-02: Accepting Bills and warrants**

Ms. Carducci moved to approve Resolution #10-0119-02 Approving Bills – EFT’s and warrants. The motion was seconded by Mr. Sybert and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**MOTION: Corporate Banking Resolution**

Mr. Mann made a motion to approve the new corporate banking resolution. The motion was seconded by Ms. Carducci and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motioned passed with a 3-yes and 0-no vote.

**CITIZEN COMMENT: None**

**NEW BUSINESS:**

Mr. Jim Harkin gave an update on the Loch Lomond Skilled Nursing Facility. They have been working on this project for four years. This will create nearly 100 jobs and is a \$16 million dollar project. They are hoping to start this project in April of 2010. Mr. Harkin stated the approval went through the BZA, however the zoning elapsed and would like to have the fees waived. The Plan has not changed and it was an economic issue that put this project on hold.

Mr. Sybert moved to waive the fees and add this application to a meeting with another applicant. The motion was seconded by Ms. Carducci and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**RESOLUTION 10-0119-03: Supporting the use of \$16M Recovery Zone Facility Bonds for Loch Lomond skilled nursing facility**

Ms. Carducci moved to approve Resolution #10-0119-03 Supporting the use of \$16M Recovery Zone Facility Bonds for Loch Lomond skilled nursing facility. The motion was seconded by Mr. Sybert and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**RESOLUTION 10-0119-04: Appoint an alternate to the Delaware County Regional Planning Commission**

Mr. Sybert moved to approve Resolution #10-0119-04 Appoint an alternate to the Delaware County Regional Planning Commission. The motion was seconded by Ms. Carducci and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**RESOLUTION 10-0119-05: Authorize a stenographer for the Board of Zoning Appeals meetings**

Mr. Mann moved to advertise for a stenographer for the Board of Zoning Appeals. The motion was seconded by Ms. Carducci and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**RESOLUTION 10-0119-06: Approve Elected Officials Healthcare benefit reduction**

Mr. Mann moved to approve amendments to Resolution #10-0119-06 Approve Elected Officials Healthcare benefit reduction by adding "3. This resolution is subject to legal approval." The motion was seconded by Ms. Carducci and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-abstention.

Mr. Mann moved to approve Resolution 10-0119-06 Approve Elected Officials Healthcare benefit reduction with the amendment. The motion was seconded by Ms. Carducci and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**RESOLUTION 10-0119-07: Submit streets for resurfacing bid estimates to Delaware County Engineer's office**

Mr. Sybert moved to approve Resolution 10-0119-07 Submit streets for resurfacing bid estimates to Delaware County Engineer's office. The motion was seconded by Mr. Mann and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**RESOLUTION 10-0119-08: Approving Annual Inventory Reports**

Ms. Carducci moved to approve Resolution 10-0119-08 Submit streets for resurfacing bid estimates to Delaware County Engineer's office. The motion was seconded by Mr. Sybert and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**REVIEW RULES FOR CITIZEN COMMENTS**

It was decided by the board to use the "Rules for Citizens Comment" presented to them at the meeting.

**SCHEDULE 2010 STRATEGIC PLANNING SESSION**

Scheduled for February 8, 2010

**OYAA AND I-9 INTERESTS REGARDING PARKS UTILIZATION**

Mr. Anderson stated he looked at income opportunities for the township, and has a rough draft of an agreement Mr. Anderson and the OYAA have been working on for the new South Liberty Park near the YMCA property. Mr. Anderson and the OYAA have talked about the possibility of developing that park using available bond funds. Liberty Township would be partnering with them in a public/private partnership in developing this park while maintaining its useable format.

Another idea is I-9 Sports, a private sector venture group, whereas OYAA is a not for profit. I-9 Sports have been working out of a park in Powell and has outgrown it. Both I-9 and Powell agree it would be great if they could find another space. They are looking to utilize three fields on Sundays to run flag football for 8 weeks in the spring and fall. There will be staffing impacts and turf impacts for the Township.

Trustee Mann stated he felt this is exactly what parks are for and we want to make it possible for kids to play sports whenever we can at our parks. He wants to find a way to make it work.

Trustee Sybert asked if the fields were ready to go. Mr. Anderson replied that we gave them a year to grow. Trustee Sybert would like to have Andy Curmode's comments regarding the park and if it is ready.

Trustee Mann would like to see the projections on employee and maintenance costs.

**ST. GEORGES COURT, LLC – MEMMER DEVELOPMENT & CONSTRUCTION  
MOTION:**

Ms. Carducci made a motion to not send this matter to the Delaware County Prosecutor for further enforcement. However, we will notify them that they are out of compliance with the Zoning Code. The motion was seconded by Mr. Mann and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**RESOLUTION 10-0119-10: Joint Task Force of Liberty Township and City of Powell**

Mr. Mann moved to approve Resolution 10-0119-10 Joint Task Force of Liberty Township and City of Powell. The motion was seconded by Ms. Carducci and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

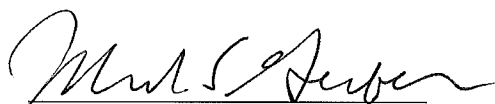
Mr. Sybert motioned for Mr. Mann to take the lead for this Joint Task Force of Liberty Township and City of Powell. The motioned was seconded by Ms. Carducci and the roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

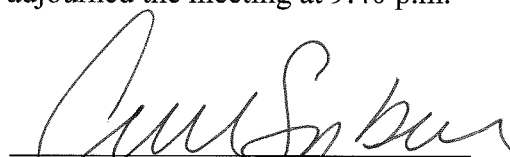
**APPROVAL OF MINUTES:**

Mr. Sybert made a motion to approve the minutes of January 4, 2010. The motion was seconded by Mr. Mann and roll call vote: Ms. Carducci-yes, Mr. Mann-yes, and Mr. Sybert-yes. The motion passed with a 3-yes and 0-no vote.

**ADJOURNED:**

There being no further business Chairperson Sybert adjourned the meeting at 9:40 p.m.

  
Mark S. Gerber, Fiscal Officer

  
Curt Sybert, Chairman  
Board of Trustees

2009  
Liberty Township  
Financial Report

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Prepared by Mark Gerber  
January 19, 2010

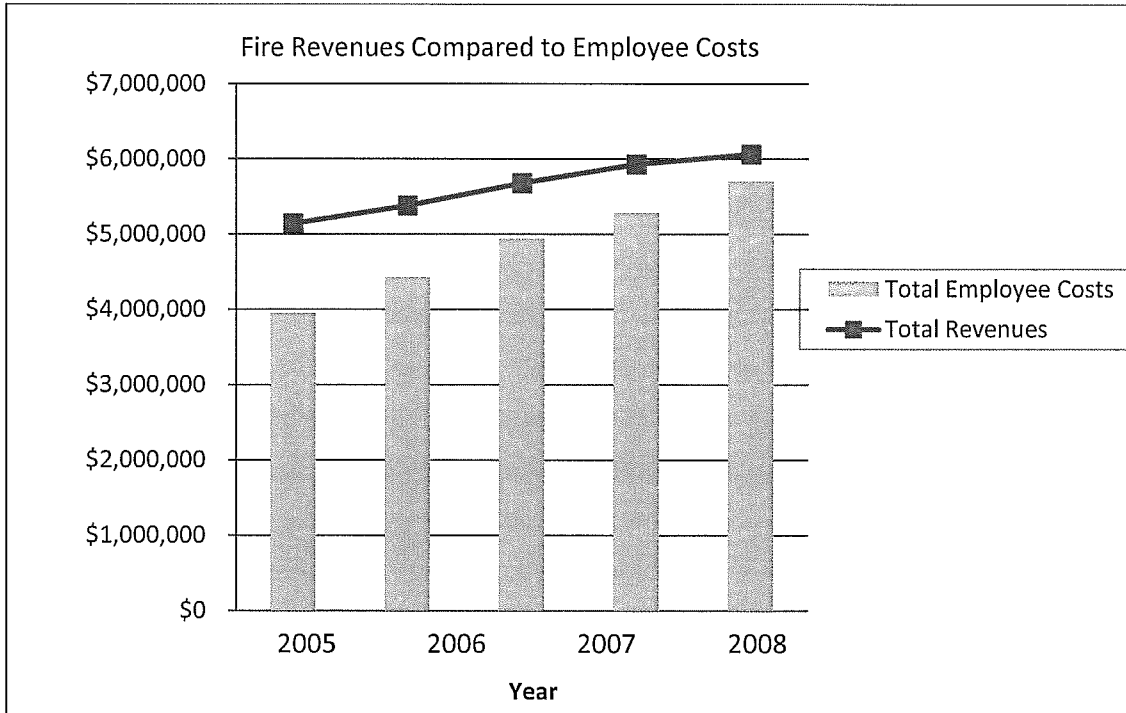
## Cash Flows

Table 1 on the next page shows cash flow as measured by revenues minus expenses for the three operating funds of the township: administration, roads and fire. Clearly cash flow has not been good.

Revenues to the General Fund pay for administration, zoning and parks. This fund has been in the red the last five years. For the period 2007-2009, legal fees and the development of Havener Park have caused red ink. The \$245,000 drop in 2009 revenues contributed to 2009 losses. Park development is done, but operating cost will increase. Legal issues will continue to be unknown and risky. Revenues for property taxes are below expenses. The fund depends on interest income, zoning fees and estate taxes to make up the difference.

The road department has had positive cash flow the last two years. The revenues for this department are from property taxes derived from property in the township. When Powell annexes property, road fund revenue is lost. Since employee costs are roughly 50% of revenues, this department should stay in the black.

The fire fund is different story. Since 2005 expenses have been increasing much faster than revenues. The major reason for this is the increases in employee costs. Employee costs which are salaries, benefits, retirement, worker compensation premiums, and Medicare were 76.9% of revenues in 2005 growing to 94% of revenues in 2009. These percentages are much too high for a department that also has significant operating expenses. Left unchecked, employee cost will exceed revenues in the next two to three years. This cannot be allowed to happen.



**Table 1: Cash Flows 2005-2009**

<b>1000-General</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Property & Other Taxes	\$815,681	\$950,711	\$1,061,187	\$1,092,305	\$1,190,468
Intergovernmental	\$491,888	\$207,528	\$327,830	\$551,472	\$213,870
Licenses, Permits and Fees	\$210,713	\$238,088	\$159,890	\$293,396	\$275,535
Earning on Interest	\$174,199	\$281,815	\$306,014	\$183,763	\$16,193
Other Financing Sources	\$12,019	\$124,966	\$8,180	\$0	\$0
Miscellaneous	\$293,662	\$345,612	\$188,779	\$102,397	\$81,983
<b>Total Revenues</b>	<b>\$1,998,162</b>	<b>\$2,148,719</b>	<b>\$2,051,881</b>	<b>\$2,223,333</b>	<b>\$1,778,048</b>
Salaries	(\$489,945)	(\$544,146)	(\$639,159)	(\$700,100)	(\$725,306)
Employee Fringe Benefits	(\$369,698)	(\$424,675)	(\$474,045)	(\$352,575)	(\$369,543)
Purchased Services	(\$369,893)	(\$301,294)	(\$816,491)	(\$1,127,896)	(\$545,670)
Supplies&Materials	(\$61,298)	(\$57,343)	(\$70,847)	(\$48,025)	(\$87,931)
Other	(\$131,596)	(\$148,415)	(\$143,087)	(\$32,145)	(\$14,679)
Capital Outlay	(\$602,001)	(\$778,498)	(\$349,156)	(\$299,662)	(\$219,077)
Debt Service	\$0	\$0	\$0	(\$138,711)	(\$15,870)
Financing Uses-Other	\$0	\$0	\$0	(\$400)	\$0
<b>Total Expenses</b>	<b>(\$2,024,431)</b>	<b>(\$2,254,370)</b>	<b>(\$2,492,784)</b>	<b>(\$2,699,514)</b>	<b>(\$1,978,076)</b>
<b>Net Cash Flow</b>	<b>(\$26,269)</b>	<b>(\$105,652)</b>	<b>(\$440,903)</b>	<b>(\$476,181)</b>	<b>(\$200,028)</b>
<b>Statistics</b>					
Employee Cost % Revenues	43.0%	45.1%	54.3%	47.3%	61.6%
Change in Revenues		7.5%	-4.5%	8.4%	-20.0%
Change in Salaries		11.1%	17.5%	9.5%	3.6%
Change in Employee Benefits		14.9%	11.6%	-25.6%	4.8%
<b>2031-Road and Bridge</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Property & Other Taxes	\$672,182	\$817,172	\$851,460	\$914,055	\$1,004,129
Intergovernmental	\$86,584	\$94,657	\$99,803	\$81,172	\$110,062
Licenses, Permits and Fees	\$6,750	\$10,262	\$4,100	\$5,306	\$750
Miscellaneous	\$1,627	\$1,452	\$22,972	\$109,071	\$10,460
<b>Total Revenues</b>	<b>\$767,143</b>	<b>\$923,543</b>	<b>\$978,335</b>	<b>\$1,109,604</b>	<b>\$1,125,400</b>
Salaries	(\$282,088)	(\$300,426)	(\$429,288)	(\$361,056)	(\$366,563)
Employee Fringe Benefits	(\$116,228)	(\$125,870)	(\$132,432)	(\$202,390)	(\$211,312)
Purchased Services	(\$230,918)	(\$241,894)	(\$450,437)	(\$146,843)	(\$88,718)
Supplies&Materials	(\$44,253)	(\$64,116)	(\$81,534)	(\$169,510)	(\$164,632)
Other	(\$46,705)	(\$9,859)	(\$14,143)	(\$438)	\$0
Capital Outlay	(\$70,000)	(\$24,574)	(\$60,000)	(\$20,709)	(\$223,502)
<b>Total Expenses</b>	<b>(\$790,193)</b>	<b>(\$766,740)</b>	<b>(\$1,167,834)</b>	<b>(\$900,947)</b>	<b>(\$1,054,726)</b>
<b>Net Cash Flow</b>	<b>(\$23,050)</b>	<b>\$156,803</b>	<b>(\$189,499)</b>	<b>\$208,657</b>	<b>\$70,674</b>
<b>Statistics</b>					
Employee Cost % Revenues	51.9%	46.2%	57.4%	50.8%	51.3%
Change in Revenues		20.4%	5.9%	13.4%	1.4%
Change in Salaries		6.5%	42.9%	-15.9%	1.5%
Change in Employee Benefits		8.3%	5.2%	52.8%	4.4%
<b>2191-Fire Services</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Property & Other Taxes	\$4,454,201	\$4,703,265	\$4,905,472	\$5,306,675	\$5,769,150
Intergovernmental	\$568,531	\$543,897	\$572,274	\$390,756	\$84,794
Charges for Services	\$0	\$0	\$0	\$109,648	\$135,646
Licenses, Permits and Fees	\$0	\$0	\$0	\$20,224	\$7,106
Other Financing Sources	\$0	\$0	\$0	\$27,200	\$0
Miscellaneous	\$120,153	\$134,129	\$202,978	\$75,614	\$68,477
<b>Total Revenues</b>	<b>\$5,142,885</b>	<b>\$5,381,292</b>	<b>\$5,680,723</b>	<b>\$5,930,117</b>	<b>\$6,065,172</b>
Salaries	(\$2,445,851)	(\$2,769,637)	(\$2,990,522)	(\$3,288,141)	(\$3,554,917)
Employee Fringe Benefits	(\$1,509,827)	(\$1,663,851)	(\$1,950,834)	(\$1,996,885)	(\$2,148,467)
Purchased Services	(\$93,109)	(\$207,688)	(\$256,956)	(\$423,444)	(\$570,781)
Supplies&Materials	(\$153,260)	(\$175,463)	(\$179,738)	(\$248,174)	(\$196,086)
Other	(\$297,886)	(\$163,214)	(\$123,059)	(\$14,004)	(\$6,848)
Capital Outlay	(\$408,226)	(\$284,140)	(\$165,319)	(\$853,420)	(\$129,555)
<b>Total Expense</b>	<b>(\$4,908,158)</b>	<b>(\$5,263,994)</b>	<b>(\$5,666,428)</b>	<b>(\$6,824,067)</b>	<b>(\$6,606,655)</b>
<b>Net Cash Flow</b>	<b>\$234,727</b>	<b>\$117,298</b>	<b>\$14,296</b>	<b>(\$893,950)</b>	<b>(\$541,483)</b>
<b>Statistics</b>					
Employee Cost % Revenues	76.9%	82.4%	87.0%	89.1%	94.0%
Change in Revenues		4.6%	5.6%	4.4%	2.3%
Change in Employee Costs		12.1%	11.5%	7.0%	7.9%
Change in Salaries		13.2%	8.0%	10.0%	8.1%
Change in Employee Benefits		10.2%	17.2%	2.4%	7.6%

## Employee Costs

Employee costs must be managed in every township department. Scheduling personnel to minimize over time costs is absolutely necessary. Benefits management is also a must.

## Retirement Costs

All full-time and part-time non-uniformed employees, elected officials and zoning board members are in the Ohio Public Employees' Retirement System, OPERS. They pay Medicare taxes but are exempt from social security taxes.

The contribution rates are 10% of wages for the employee and 14% for the employer. The township pays 100% for the employee contribution for full-time employees and some part-time employees. The township pays the employer contribution for all employees. Elected officials, zoning board members, the fire department medical advisor and part-time park employees pay the 10% employee contribution from their wages. The township contributed \$278,519 to OPERS in 2009.

Uniformed fire employees are in the Ohio Police & Fire Pension System. The contribution rates are 10% for employees and 24% for the employer. The township pays 100% of both the employee and employer contribution. The township's annual payments to OP&FPS in 2009 were \$964,869.

## Recommendation

Employees should pay the employee contribution at least to the same percentage as the social security rate of 6.2%.

## Insurance Benefits

Full-time township employees, elected officials and the fire department medical advisor are provided health, dental, vision, life and short-term disability insurance. The monthly employee contribution for all insurance is \$15 for single coverage and \$25 for all other coverage.

### Health Insurance

The township's health insurance program pays 100% of covered charges.

Prior to April 1, 2008, the health insurance had zero dollar deductible. Co-pays were the only employee out-of-pocket expense.

On April 1, 2008, the township adopted an insurance policy having deductible amounts of \$2,000 for single coverage and \$4,000 for all other coverage and eliminated co-pays. The township implemented a self-insurance program to cover the deductible amounts using a Health Savings Account (HSA) and a Health Reimbursement Account (HRA). Employees have no out-of-pocket costs for covered procedures.

The township funded the deductible by contributing \$1,100/\$2,200 to each employee's HSA account. The employee would use this money to pay the first \$1,100/\$2,200 of covered medical expenses. If the employee's expenses were less than these amounts, the employee keeps the money. When expenses exceeded the HSA amounts, employees were reimbursed by those amounts.

On April 1, 2009 the township increased the self-insurance amounts to \$2,500/\$5,000 and the HSA contributions to \$1,200/\$2,400.

The Table 2 summarizes the township's health costs.

	2007	2008	2009
<b>Monthly Premiums</b>			
Single	\$ 482.46	\$ 309.60	\$ 295.90
Couple	\$ 1,060.43	\$ 680.50	\$ 650.38
Family	\$ 1,489.39	\$ 955.17	\$ 913.46
Employee Costs	Co-pays	\$ 0.00	\$ 0.00
<b>Total Premium Cost</b>	\$ 1,070,000	\$ 709,925	\$ 664,407
<b>Self-insurance Cost</b>	\$ 0	\$ 190,905	\$ 281,984
<b>Total Cost</b>	\$ 1,070,000	\$ 900,830	\$ 946,391

## Recommendation

Township employee contributions to their health care costs are not sufficient. Therefore:

1. The monthly contribution to the insurance premium should be raised to at least \$45 family, \$35 couple and \$25 single.
2. The employees should pay a portion of the deductible. The township should reduce the contribution to the HSA accounts by \$400 single and \$800 other.
3. Employees should pay a portion of increases to premium costs since premiums are based on the claims the employee group makes.

These changes are a moderate cost increase to employees, but are still below the contributions by employees in the private sector.

## Other Insurances

The township provides life, dental, vision and short-term disability. The 2009 monthly premiums for these policies are shown in Table 3.

Table 3: Monthly Premiums

Life Insurance benefits of \$35,000 2009 premiums were \$7,995.

Employee \$8.05

Dependent \$1.52

Disability insurance premiums which vary by income are \$15-\$34 per month. Maximum benefit is \$750/wk. Benefit starts before paid leaves are use. In 2009 the total premium was \$19,968. Eight employees made claims for \$48,204.

	Family	Couple	Single	2009 Cost
Dental	\$96.00	\$50.50	\$26.75	\$71,476
Vision	\$16.65	\$16.65	\$16.65	\$16,183

The township's only costs are the premiums.

## Recommendation

The short-term disability policy must be canceled.

## Unfunded Liabilities

The township has potentially significant unfunded employee costs. These liabilities include sick leave, vacation and overtime or comp time<sup>1</sup>.

Table 4: Current balances

Balance	Hours	Cost
Sick Leave	94,632	\$1,893,000
Vacation	8,002	\$169,000
Comp Time	4,619	\$92,000

Vacation and comp time are liabilities that will be eventually paid. The amount of sick leave to be paid out is uncertain; however, if the \$238,000 paid in 2009 is typical the amount could be significant.

The township has policies that provide for payout of sick time and holiday time that are not used. Sick time payout is not significant; however, unused holiday time is. Uniformed fire employees can be paid for 80 hours of unused holiday time. In 2009, the cost was \$53,405.

### Recommendation

1. A reserve fund as provided by Ohio law should be established for these costs.
2. Holiday hours must be used.
3. Overtime must be reduced by better managing employee schedules and staffing.

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<sup>1</sup> Employees can choose to be paid for overtime or receive one and a half hours of future time off for each hour of overtime worked.