

**Special Session #09-01  
Fairfield County Commissioners' Office  
October 23, 2009**

**10:00 a.m. Public Hearing**

The Board of Commissioners met to convene a public hearing on a proposed ¼% sales tax increase. Commissioners present were Judith Shupe, Jon Myers and Mike Kiger. Commissioner Shupe called the meeting to order, stating that this hearing is the second of two public hearings on the proposal. The first hearing was held on Monday, October 19<sup>th</sup> at 6:30 p.m.

Commissioner Shupe asked if anyone present was interested in providing public comment.

Tim Sachs, 266 East Hocking Street, Canal Winchester, stated that he lives just into Fairfield County in Canal Winchester. Mr. Sachs stated that he appreciates the county's low sales tax rate, and although he is not in favor of the increase, he understands the need, and asked that the Board approve a temporary increase, and not a permanent increase.

Norma Jane Schwenderman, 1624 Marietta Road, Lancaster, stated that she had called the Commissioners office a few weeks previously to express her concerns, and asked if the Board would consider citizen comments both for and against the increase prior to voting. Ms. Schwenderman stated that she is concerned because the one out of six residents are already in poverty, and believes the tax increase would worsen that rate. Ms. Schwenderman stated she would like to know if the increase would be permanent or temporary, and stated that an editorial ran in the Columbus Dispatch just today urging the legislature and Governor to increase the state sales tax.

Commissioner Shupe stated the Board has received several comments via letter, emails and phone calls and would consider all comments prior to voting.

Commissioners Myers stated that he would like to make a few comments, stating that he has talked with some of the local judges who are concerned with the rise in criminal and drug activities in the county and the ability of law enforcement and the courts to properly address these issues if the sales tax increase is not approved.

Commissioner Myers noted that in 2005, the issue was placed before the citizens on the ballot and defeated, which resulted in severe cuts to the Sheriff's Office, including the layoffs of several deputies. Fairfield County is becoming a distribution hub for illegal drugs, especially heroin.

Commissioner Myers stated that the Board would consider all information and comments received prior to taking a vote, and as Commissioners the Board is proud to have kept Fairfield County's rate so low for so long, but services are starting to suffer, and the Board does not wish to see additional layoffs in the Sheriff's Office.

Commissioner Shupe stated that she is witnessing the drug-related problems as well as a member of the Prevention Works Committee. Many youths are starting by abusing prescription drugs, then switching to heroin. Commissioner Shupe stated some elected offices have mandating rights with respect to their budget, and so if a sales tax increase is not approved, some offices such as the Sheriff could experience worse cuts.

Commissioner Shupe stated that by law the Sheriff doesn't have to have road patrols, just operate the jail, but no one wants to see the road patrols curtailed. Commissioner Shupe stated a ¼% increase would put Fairfield County at 6.5%, and the county has certain mandates and obligations to fund.

Commissioner Kiger stated that he has spent a lot of time over the past few weeks discussing the issue with as many citizens as possible, and what he has heard is that people understand the need, but don't necessarily understand the cuts the Commissioners have already made and will make for 2010 even if the sales tax increase is approved.

Commissioner Myers asked Mr. Sachs if he had a recommended timeframe for a temporary increase, and Mr. Sachs stated that he believes 2 years would be sufficient, and he believes the state will also increase taxes.

Commissioner Myers stated that the state may cut more as well. The economy does not appear poised for a quick recovery, and a sales tax would be less intrusive than other taxes and would still keep Fairfield County's rate very competitive. Commissioner Shupe added that only 1% of the sales tax is local – the state rate is 5.5%.

County Auditor Barbara Curtiss stated that the last sales tax increase occurred in 1996, and the Commissioners increased the real estate conveyance fee in 2005 during the last economic crisis. Income from the state has been cut, yet at the same time needs and costs have increased. Ms. Curtiss stated the county can only cut so much before needing more revenue.

Ms. Curtiss noted the increase would not apply to groceries, and the Commissioners and other county office holders have done a great job of holding costs down.

Commissioner Shupe stated the sales tax produces approximately 1/3 of the county's revenues.

County Treasurer Jon Slater stated interest income for the county is down about \$1.5 million this year, and is off over \$3 million since 2007. As a result, cash reserves have been depleted and need to be maintained.

On the motion of Jon Myers and second of Mike Kiger, the Board of Commissioners voted to close the hearing at 10:20 a.m.

Roll call vote of the motion resulted as follows:  
Voting aye thereon: Jon Myers, Mike Kiger and Judith Shupe

### **1:30 p.m. Special Meeting**

A Special meeting of the Fairfield County Board of Commissioners was held on Friday, October 23, 2009 beginning at 1:30 p.m., with the following Commissioners present: Judith Shupe, Jon Myers and Mike Kiger. Also present were Joe Spybey, Barbara Curtiss, Ed Laramée, John Pekar, Aundrea Cordle, Michelle George, Mary Beth Lane, Jason Dolin and Scott Zody.

### **Announcements**

There were no announcements.

### **Public Comment**

There were no public comments.

On the motion of Jon Myers and second of Mike Kiger, the Board of Commissioners voted to enter into Open Review Session.

Roll call vote of the motion resulted as follows:  
Voting aye thereon: Jon Myers, Mike Kiger and Judith Shupe

Commissioner Shupe stated the Board wished had asked Mr. Zody to compile a list of all the comments received from the public for their review, and by a 2-1 margin, the comments were favorable of a tax increase. Some were in favor of a permanent increase vs. a temporary increase. Commissioner Myers noted these do not include comments that each of the Commissioners have received from the public individually, and Commissioner Myers stated that the comments he has received were about 3-1 in favor.

Commissioner Kiger stated he visited with the Pickerington Seniors, and after explaining the issue to the group, most were in favor. He has also spoken with several residents at his various breakfasts around the county.

Commissioner Shupe stated the impact to the Sheriff's Office would be huge, and deputies would have to be laid off if the increase were not approved.

Commissioner Myers stated that after much deliberation and thought, the Commissioners have decided to recommend a temporary, 4-year ¼% increase, noting that the Board could at any time in the future vote to rescind the increase. Commissioner Myers stated the Board decided that 4 years would be sufficient time for the national and state economies to recover and for the state to straighten out the budget crisis it currently faces.

Commissioner Shupe added that the state may make additional cuts that could further burden counties in the next year. Commissioner Kiger noted that Fairfield County has reduce expenditures by 5% this calendar year, and will cut spending by an additional 9-10% in 2010.

Commissioner Myers stated that some may ask where the money went, and to that he would respond that while spending has been held in check, it is more of a revenue problem with the decrease in conveyance fees, interest income, and state cuts that have led to the current situation.

On the motion of Jon Myers and second of Mike Kiger, the Board of Commissioners moved to return to the Regular Meeting agenda.

Roll call vote of the motion resulted as follows:

Voting aye thereon: Jon Myers, Mike Kiger and Judith Shupe

#### **Approval of Minutes for Tuesday, October 20, 2009**

On the motion of Jon Myers and second of Mike Kiger, the Board of Commissioners voted to table the approval of the minutes of October 20, 2009.

Commissioner Shupe stated with the quick turnaround from Tuesday's meeting and all of the focus on the sales tax issue, she had not been able to properly review the minutes.

Roll call vote of the motion resulted as follows:

Voting aye thereon: Jon Myers, Mike Kiger and Judith Shupe

#### **Approval of Levying an increase in the County Sales Tax at the rate of one-quarter of one percent pursuant to Section 5739.021 of the Ohio Revised Code**

On the motion of Mike Kiger and second of Jon Myers, the Board of Commissioners voted to approve Levying an increase in the County Sales Tax at the rate of one-quarter of one percent pursuant to Section 5739.021 of the Ohio Revised Code, see resolution 09-10.23.a

Auditor Barbara Curtiss asked if the resolution was being approved as an emergency, and Commissioner Shupe stated the resolution is being approved as a non-emergency.

Roll call vote of the motion resulted as follows:

Voting aye thereon: Mike Kiger, Jon Myers and Judith Shupe

**Levying an increase in the County Use Tax at the rate of one-quarter of one percent pursuant to Section 5741.021 of the Ohio Revised Code**

On the motion of Jon Myers and second of Mike Kiger, the Board of Commissioners voted to approve Levying an increase in the County Uses Tax at the rate of one-quarter of one percent pursuant to Section 5741.021 of the Ohio Revised Code, see resolution 09-10.23.b

Roll call vote of the motion resulted as follows:

Voting aye thereon: Jon Myers, Mike Kiger and Judith Shupe

**Approval of a Contract between the Fairfield County Commissioners and VPL Architects Inc. for architectural services for renovations to the first floor at 241 East Main Street, Suite 100, Lancaster, Ohio building**

On the motion of Mike Kiger and second of Jon Myers, the Board of Commissioners voted to approve a Contract between the Fairfield County Commissioners and VPL Architects Inc. for architectural services for renovations to the first floor at 241 East Main Street, Suite 100, Lancaster, Ohio building, see resolution 09-10.23.c

Commissioner Myers stated this is an example of cost-cutting the Board has been exploring – the EMA is moving to the Job & Family Services building to relocate offices and renovate space for an Emergency Operations Center at ¼ the cost of constructing a new center, plus the state is providing 50% of the funding.

Roll call vote of the motion resulted as follows:

Voting aye thereon: Mike Kiger, Jon Myers and Judith Shupe

**Review Session**

The Board of Commissioners met to review legal issues, pending and future action items, and correspondence. Commissioners present were Judith Shupe,, Jon Myers and Mike Kiger. Also present were John Pekar, Beth Seifert, Cindy Hillberry, Aundrea Cordle, Ed Laramee, Fred Destadio, Jason Dolin and Scott Zody.

Mr. Pekar informed the Commissioners that the Developmental Disabilities Board (the Board) met the previous evening to discuss issues raised by the Commissioners in their discussions relative to BDD joining the county health insurance consortium, the the Board is willing to address the pickup issue involving BDD contract employees as their contracts expire.

Commissioner Myers asked if BDD had 2 or 3 tiers, and Mr. Pekar stated there are 3 tiers including the 20 and 25% for employees. Mr. Pekar stated the Board wishes to continue to control the employee share for negotiation purposes, and is willing to cover the first three years difference in premium through 2012. Even if county claims experience causes the county to drop a tier, BDD would still make up the difference.

Commissioner Shupe stated that in discussing the contract the premise was to save funds – has the BDD Board explored any other cost savings such as the pickup for retirement?

Mr. Pekar stated the Board looks at every opportunity to cut costs and save funds, and will not fill empty positions before initiating a process study to ensure the position is needed for efficiency. Mr. Pekar stated the Board went to the ballot for a levy in 2005 and promised not to return until at least 2010, and at this point they will not return to the ballot until 2011, possibly 2012.

Commissioner Shupe asked if any employees had 100% of their PERS retirement paid by the board, and Mr. Pekar stated there are some – 8-10. Commissioner Myers asked if this were the same 8 employees who received 100% insurance pickup, and Mr. Pekar stated some are, some are not.

Mr. Laramée stated that he wished to point out that the levies supporting BDD are the Commissioners levies per the Revised Code, and are not separate like the Board of Health. Only the Commissioners have the authority to set benefits for employees, and the BDD employees are county employees.

Commissioner Myers asked if the Commissioners approve the BDD budget, and Mr. Laramée stated they do. Commissioner Kiger stated that the Revised Code seems permissive in some respects, using “may” instead of “shall”, and Mr. Laramée stated that if the Commissioners offer an insurance plan, they are obligated to cover all employees or at least offer access. Mr. Laramée noted that BDD would save hundreds of thousands of tax dollars by entering the county system, and those are dollars that the Commissioners are responsible for.

Mr. Pekar stated that he would like to clarify the actuarial numbers as well, as the study reviewed 2007 and 2008 claims, and BDD’s experience is much improved for 2009. Even if the claims history stayed the same, BDD would only have barely bumped the county into another tier.

Commissioner Shupe asked if the BDD claims could be tracked separately from the county, and Ms. Cordle stated that CBIZ stated they could do that. Mr. Pekar stated that he believes an expansion of the pool by adding 90 BDD employees would actually help the county. Commissioner Shupe stated the actuary also stated that BDD had older employees on average, and they would utilize the system more, and Mr. Pekar stated he has several employees on the verge of retirement, and he expects his average employee age to drop over the next few years.

Ms. Cordle stated that to clarify, CBIZ looked at 2 claim years dating from July, 2007 to July 2009. Mr. Laramée stated that 25 of the total billing, which is an administrative cost, will accrue to the General Fund, which would help a little. Mr. Laramée stated the county should be able to handle the additional employees with the same number of staff, and Ms. Cordle stated that would be provided she can keep all of her current staff.

Ms. Hillberry added that she already deals with the claims for BDD, and could help out as well. Mr. Pekar noted that the total claims amounts paid have dropped for BDD, from \$906,000 in the 2007-2008 period to \$656,000 in the 2008-2009 period.

Commissioner Shupe asked if Mr. Pekar anticipated additional employees joining with the lower costs, and Mr. Pekar stated it was hard to say, but there may be a few additional. Commissioner Myers asked how many total employees BDD has, and Mr. Pekar stated there are 124. Commissioner Myers asked how many were covered, and Mr. Pekar stated about 90.

Mr. Destadio stated these are taxpayer dollars either way, and BDD could save up to \$400,000 each year. Commissioner Shupe stated saving tax dollars is good, but there should not be any “freebies” such as extra days off. Mr. Pekar stated they have some of that, but those are incentives he uses to attract and retain quality employees and remain competitive with other BDD Boards. The other positive aspect of offering incentives is that it helps keep salary costs down.

Commissioner Shupe asked if BDD planned to give raises in 2009, and Mr. Pekar stated no one will receive a raise this year – including the bargaining unit employees, who volunteered to forego their raise. Mr. Pekar stated that he volunteered first, then the contract employees gave up their raise, then the bargaining unit.

Commissioner Shupe asked if raises would be provided in 2010, and Mr. Pekar stated the Board would like to provide a raise, but nothing is firm at this point.

Commissioner Kiger stated his biggest concern is down the road after the 3-year grace period. Mr. Pekar stated that he gave serious thought to going out to 4 years, but it is difficult to forecast what would happen between now and then, and the Commissioners should consider that BDD is willing to hold the county harmless during those 3 years.

Commissioner Kiger asked if the Commissioners could expel BDD after 3 years, and Mr. Laramie stated the Commissioners are responsible for BDD health care ultimately, and if the South Central consortium folded, the Commissioners would be required to cover BDD.

Mr. Pekar stated that BDD could have the option of providing their own coverage, but because their pool is so small, it would cost even more than they are currently paying.

Mr. Laramie concurred, stating BDD is too small to effectively provide coverage at a reasonable cost. Commissioner Myers stated the Commissioners needed to make a decision soon, and Commissioner Shupe stated the Board could make a decision next Tuesday.

### **Adjournment**

With no further business to come before the Board, on the motion of Jon Myers and the second of Mike Kiger, the Board of Commissioners voted to adjourn at 2:45 p.m.

Roll call vote on the motion resulted as follows:

Voting aye thereon: Jon Myers, Mike Kiger and Judith Shupe

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Mike Kiger  
Commissioner

Jon D. Myers  
Commissioner

Judith K. Shupe  
Commissioner

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Scott Zody, Clerk/Manager

**THE NEXT REGULAR MEETING OF THE COMMISSIONERS' IS SCHEDULED FOR TUESDAY, OCTOBER 27, 2009 AT 10:00 A.M.**