

MONDAY, OCTOBER 16, 2006
OFFICE OF THE BOARD OF COMMISSIONERS
PICKAWAY COUNTY, OHIO

The Pickaway County Board of Commissioners met in Regular Session in their office located at 139 West Franklin Street, Circleville, Ohio on Monday, October 16, 2006, with the following members present: Mrs. Ula Jean Metzler; Mr. Glenn D. Reeser; and Mr. Jay H. Wippel. Daniel V. Bradhurst, County Administrator, was also in attendance.

Mr. Wippel offered the motion, seconded by Mr. Reeser to approve the minutes from the previous meetings.

Voting on the motion was as follows: Mrs. Metzler, absent for vote; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

**In the Matter of
Payment of Bills:**

Mr. Reeser offered the motion, seconded by Mr. Wippel to adopt the following Resolution:

BE IT RESOLVED, that the bills have been found to be properly filed and their respective vouchers shall be cross-referenced to the approving pages dated October 16, 2006, in the Commissioners' Voucher Register, and

BE IT FURTHER RESOLVED, that the Board of Pickaway County Commissioners orders the Auditor of Pickaway County, Ohio to draw her warrant on this entry in the amount of \$310,081.05 on the County Treasurer to satisfy the same.

Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

**In the Matter of
Meeting in Executive Session to
Discuss Personnel Matters:**

At 9:01 a.m., Mr. Wippel offered the motion, seconded by Mr. Reeser to enter into Executive Session as spelled out in ORC §121.22 (G) (1) to investigate a complaint against a public official. Melissa Betz, Pickaway County Auditor, and Calvin Gebhart and Gary Scherer of the Pickaway County Audit Committee were also in attendance.

Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

At 9:50 a.m., Commissioner Metzler announced the Board's return to Regular Session.

No action was taken.

**In the Matter of Meeting with
Larry Thornhill Regarding
Upper Payment Limits:**

Larry Thornhill, CEO of Berger Health System (BHS), and Tim Colburn, Chief Financial Officer, met briefly with the Commissioners to discuss the Upper Payment Limit (UPL) Program involving public hospitals.

The Centers for Medicare and Medicaid Services (CMS) allows states the flexibility to disburse supplemental payments to public hospitals to cover the difference between Medicaid Fee for Service (FFS) payments and the amount that would be paid for Medicaid services under Medicare payment principles. Ohio's program gives public hospitals an opportunity to receive supplemental Medicaid payment for inpatient services, using public hospital dollars as the non-federal match. BHS and other public hospitals contribute into Ohio's program, however; there are strict federal limits on the ability of states to make supplement payments to providers for services included in managed care rates. The UPL program only applies to fees for service Medicaid patients and is not available for the Medicaid population in full-risk managed care.

In June 2005, the Ohio General Assembly mandated a significant expansion of Medicaid managed care, which drastically reduced the amount of funds Ohio public hospitals will receive through the UPL Program. Expansion populations include all covered families and children and many disabled adults. The Ohio Department of Job & Family Services (ODJFS) estimates that the number of Medicaid consumers enrolled in FFS will decrease from 956,000 in March 2006, to 369,000 by January 2007, and the current UPL Program will shrink to less than one-third of its current size. BHS could be affected by as much as \$900,000 a year.

Mr. Thornhill stated that BHS and other public hospitals throughout the state have been working with Ohio Hospital Association and senators and state representatives in an effort to get the ODJFS to allow community hospitals to push through a specific UPL Program where the state budget would provide a \$10 million allocation to the General Revenue Fund to maximize federal dollars available through the UPL Program. By doing that, the federal government provides a 40% / 60% split match, which would be another \$4 to \$5 million placed back into the system for public hospitals. Mr. Thornhill stated that the UPL Program allows rural public hospitals the opportunity to continue to provide funding to those programs with the additional money that comes in. Without the additional funds, hospitals will have to look at how they will continue to offer services that do not generate revenue to communities and counties. He stated that BHS would be looking at eliminating thirteen (13) registered nurses to make up the difference in revenue.

Following further discussion regarding the issue, Mr. Thornhill asked for the Commissioners consideration in signing a letter of support currently in the process of being composed by the Ohio Hospital Association to request the \$10 million state budget allocation. The Commissioners responded by stating that they would happy to do so. Mr. Thornhill then thanked the Commissioners for their time and stated that he will be providing them with the correspondence for their signatures in the near future.

**In the Matter of
Allocation of Sales Tax:**

Mr. Wippel offered the motion, seconded by Mr. Reeser to allocate the Sales Tax collected in the month of **August 2006**, in the following manner:

25,790.00 to 401.0000.4122 – Sales Tax Reserve
492,000.72 to 101.0000.4121 – General Fund

Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

**In the Matter of
Meeting with Melissa Betz and
Rojanne Woodward Regarding
Reporting of Fixed Assets:**

Melissa Betz, Pickaway County Auditor, and Rojanne Woodward, Director of Pickaway County Job & Family Services (PCDJFS) met with the Commissioners to revisit the matter regarding the reporting of fixed assets.

Fixed assets are relatively long lasting items which depreciate such as vehicles, computers, software, and other office equipment. The PCDJFS recently underwent its 2005 audit performed by the Ohio Department of Job & Family Services (ODJFS). This year the ODJFS auditors have an issue with the threshold amount that PCDJFS has been using to report fixed assets. PCDJFS has always used the amount of

\$25,000, the federal level, to determine an item as being classified as a fixed asset and has been reimbursed by the ODJFS on a depreciating schedule. The ODJFS is stating that the local department should abide by the more restrictive fixed asset threshold of \$1,000, the amount established by the county, used by all other departments and agencies. If the county's fixed asset level is not increased PCDJFS is at risk of having an audit finding limiting allowable costs to the annual depreciation value, requiring other county funds to be used for supplementing the purchase of the items.

Ms. Betz provided a spreadsheet of the breakdown of the county's decrease in the total of reportable fixed assets, with the threshold increased in \$5,000 increments up to \$25,000. Mrs. Betz stated that it is vital to keep a 75% - 80% value of the county's fixed assets. She also stated that the topic was brought before the Pickaway County Audit Committee (PCAC), which recommended increasing the county's fixed asset threshold to \$5,000. The PCAC also agreed with Mrs. Betz and the PCDJFS decision to take a stand against the ODJFS for any penalty reimbursements or audit findings related to PCDJFS's 2005 fixed asset reporting. Ms. Woodward stated that local agencies will be appealing to the County Commissioners Association of Ohio (CCAO) in partnering in the effort.

Upon further review of the breakdown and discussion of the issue, Mr. Wippel offered the motion, seconded by Mr. Reeser to increase the county's fixed asset reporting threshold to \$5,000 effective January 1, 2006. Following a discussion regarding the useful life schedule for fixed assets was it also ascertained that new criteria be adopted.

Voting on the motion was as follows: Mrs. Metzler, absent for vote; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

With the threshold amount being raised to \$5,000, a total of 1,027 items will be removed from the county's fixed assets listing and placed on an inventory listing that will be required to be maintained by each county department and agency.

In the Matter of Tax Increment Financing Loan:

Following a careful review of financing options available for the Tax Increment Financing notes related to costs associated with the Crites Road and U.S. Rt. 23 infrastructure improvements project, Mr. Reeser offered the motion, to accept the offer from the Savings Bank of Circleville to modify the county's two existing loans.

Subsequent to the Commissioners' detailed exploration and solicitation of options available through the Ohio Capital Asset Financing Program, the Citizens Bank of Ashville, and the Kingston Bank, it was found to be more cost-effective to modify the county's original \$970,000 note loan and the \$100,000 project costs supplemental loan held by the Savings Bank.

The new loan in the amount of \$970,000 has a four-year debt service schedule. One of the county's main objectives was to have the flexibility to payoff the debt as quickly as possible without pre-payment penalties, which the Savings Bank was able to offer.

With all things considered, such as the Savings Bank offering the lowest amount of interest expense, no pre-payment penalty, avoidance of transcript of proceedings expense, most flexibility in loan structuring, and lowest administrative burden, Mr. Wippel seconded the motion.

Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

A letter from the County Prosecutor will be obtained stating that the loan is to be bank-qualified.

In the Matter of Pickaway County Park District Board Update:

Charles Babb and Pete Hartinger of the Pickaway County Park District Board (PCPDB), met with the Commissioners to provide an update and a list of projected goals. Terry Frazier, Director of the Pickaway County Development and Planning Office, was also in attendance.

Topics and goals discussed included, but were not limited to:

- Working with the State of Ohio to access state-owned property in Pickaway County along the Erie Canal with the ultimate goal of leasing the property with a 15-year renewal lease
- The development of a trail network to connect existing and future parks
- Working towards preserving significant canal features within the county
- Work to assist all other park entities within the county
- Assisting all natural historical and educational entities within the county

At the conclusion of meeting, the Commissioners thanked the gentlemen for the update and stated it is their hope for the county to ultimately be in the financial condition to reinstate its financial contribution to the efforts of the PCPDB.

**In the Matter of
Re-Appointment of Serena Dresbach to
Berger Health Systems Board of Governors:**

Mr. Wippel offered the motion, seconded by Mr. Reeser to re-appoint **Serena Dresbach, Ph D., 22058 Bolender-Pontious Road, Circleville, Ohio** to a **four-year term on the Berger Health Systems Board of Governors.**

Ms. Dresbach term renews on November 17, 2006, and expires on November 16, 2010.

Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

**In the Matter of
Amended Certificate Approved
For the Tax Increment Financing Fund:**

Mr. Reeser offered the motion, seconded by Mr. Wippel to adopt the following Resolution:

WHEREAS, the Budget Commission did grant an AMENDED CERTIFICATE in the amount of \$100,000 for the Tax Increment Financing (TIF) Fund (312), then

THEREFORE BE IT RESOLVED, that the Pickaway County Board of Commissioners does hereby appropriate the following sum for expenditure during the fiscal year ending December 31, 2006.

TIF FUND – 312
\$100,000

Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

**In the Matter of
Appropriations Approved:**

Mr. Reeser offered the motion, seconded by Mr. Wippel to approve the following requests for the APPROPRIATION OF FUNDS:

50 to 101.1105.5703 – Contingencies
3,000 to 101.1105.5703 – Contingencies
100,000 to 312.7102.5401 – TIF-Contract Services
100,000 to 312.0000.4101 – TIF Real Estate Tax

Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

**In the Matter of
Transfer Approved:**

Mr. Reeser offered the motion, seconded by Mr. Wippel to approve the following request for the TRANSFER and RE-APPROPRIATION OF FUNDS:

**49,300 from 312.7102-5901 – TIF-Other
to
312.77102.5401 – TIF-Contract Services**

Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

**In the Matter of
Transfers Approved by County Administrator:**

Dan Bradhurst, County Administrator, approved the following requests for the TRANSFER and RE-APPROPRIATION OF FUNDS:

**50 from 101.1105.5703 – Contingencies
to
101.3001.5938 – Engineer-Reimbursement Contribution**

**42.59 from 101.2012.5527 – Sheriff Administration-Vehicle Expenses
to
101.2012.5403 – Sheriff Administration-Travel & Expenses**

**300 from 101.1218.5403 – Probate-Travel & Expense
to
101.1218.5301 – Probate-Supplies**

**3,000 from 101.1105.5703 – Contingencies
to
101.1201.5420 – Auditor-Acting Judges-Other Fees**

**In the Matter of
Waivers Approved:**

Mr. Reeser offered the motion, seconded by Mr. Wippel to waive the waiting period to issue payment to the **Savings Bank of Circleville** in the amount of **\$149,199.04** from line item #312.7102.5401 to payoff the TIF note.

Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

Mr. Wippel offered the motion, seconded by Mr. Reeser to waive the waiting period to issue payment to the **Circleville Postmaster** in the amount of **\$195.00** from line item #101.1128.5301 for five (5) rolls of postage stamps for Probate Court.

Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Attest: Patricia Webb, Clerk

**In the Matter of
Weekly Animal Shelter Report:**

The weekly report for the Pickaway County Animal Shelter was filed for week ending October 16, 2006.

A total of \$304.50 was reported being collected as follows: \$60 in sales of dogs; \$45 in redemptions; \$95 in donations; \$71.50 in sales of tags; \$33 in late tag fee penalties.

No dogs and no cats were destroyed.

No firearms were discharged.

With there being no further business brought before the Board, Mr. Wippel offered the motion, seconded by Mr. Reeser to adjourn. Voting on the motion was as follows: Mrs. Metzler, yes; Mr. Reeser, yes; Mr. Wippel, yes. Voting No: None. Motion carried.

Ula Jean Metzler, President

Glenn D. Reeser, Vice President

Jay H. Wippel

BOARD OF COUNTY COMMISSIONERS
PICKAWAY COUNTY, OHIO

Attest: Patricia Webb, Clerk