

<<<BLOOM TOWNSHIP BOARD OF TRUSTEES SPECIAL MEETING 9/27/06>>>

David Petty, Chair, called the special meeting to order for the purpose of a quarterly meeting for discussion of fire department issues. Members present were Trustees Petty, Brian Randles, and Fiscal Officer Carol Moore. Trustee Joseph Smith was absent due to recent surgery. Also present were Anne Darling Cyphert, Board and Bldg/Zoning Administrator; members of I.A.F.F. Local 3465 and several interested citizens.

DISCUSSION:

- 3-year renewal packet received for Volunteer Firefighters PROVIDENT INSURANCE policy. Packet in Fire Dept. mail bin and Trustee Office for review. Cost up %10 to \$6,325 per year. Frank Reis is reviewing the policy and is working with Trimmer Insurance to explore other options.
- Brad Shull, President of I.A.F.F. Local 3465, said he stopped at the Prosecutor's Office to talk with assistant prosecutor, Julia Dillon, and asked her about her written opinion regarding the deferred compensation issue because he was not satisfied with her answer.

Shull said Richard Wells of Security Benefits called him Monday or Tuesday night and informed him that he had spoken with Fiscal Officer Carol Moore and another woman whose title he did not know. Randles informed Shull that Moore had told Wells that he would be speaking with Anne Cyphert who is the Board Administrator. Moore also informed Wells he was on speaker phone.

Petty told Shull he would give him a copy of Dillon's second opinion letter and then Petty read the letter aloud.

Petty stated he has learned the current deferred comp program for firefighters through the state association was in error when originally set up. Petty said he is concerned that the proposed agreement says that we pick this management advisory company, but we didn't pick them. Petty asked who has control over their (Security Benefits) performance. Who can fire them? If we didn't hire them, we can't fire them. Shull said the individual can withdraw their money and put it into another 457 plan and if all the employees do that, it would dissolve the plan. Moore questioned this and expressed concern about each entity having different agreements with Security Benefits.

Petty and Moore each expressed that the trustees' decision was based on the Assistant County Prosecutor's opinion letter that stated there is risk involved should the township agree to be the administrator of the proposed new deferred compensation plan. Shull expressed that he was not satisfied with that explanation.

Petty said Bloom Township is not the only government entity that is concerned about the risk involved in the program. Randles said if the program would fail, how we would explain to the taxpayers that we did not follow the advice of the prosecutor's office. Shull said there has not been enough research into the issue. Firefighters Bill Carroll and Jeff Cotner said they are frustrated that Assistant Prosecutor Julia Dillon has not provided a detailed explanation as to why she advised against the township being involved in the program.

Randles said the township doesn't want to assume any liability. Petty said the township does not want any responsibility other than seeing the right amount is deducted and the right amount is forwarded to the appropriate people.

Shull said HB 385 says townships must offer a reasonable number of options for a deferred comp program. He wants the prosecutor and the attorney general to review the bill. Petty advised the firefighters to bring us a program where we just withhold and remit. Petty advised them to check into the deferred comp program that the County Commissioner's Association adopted. Shull said that even the commissioner's plan is a private plan.

Shull said he does not feel there has been enough communication on the issue. Moore said she had spoken to Dillon last week after faxing a copy of Violet Township's agreement to her and her opinion had not changed. Shull said time is limited for a decision regarding their deferred comp plans.

Shull and Cotner said they will have to pay a 2% fee. Shull said they have 2 ½ to 3 weeks for the local to resolve the issue. He said if he doesn't move his money to the state fund within 4 weeks he will have to pay a 2% fee.

Moore asked Shull if he had contacted the Ohio Public Employees Deferred Compensation representative for information and he said he had not. Moore said she had offered previously to have the representative talk with the firefighters but she did not want to push them. She offered again to make the contact. Shull declined. Shull said Mass Mutual would charge the 2% fee. Petty again said that they had erred in setting up the program; they didn't have the authority to set up the program in the first place.

Shull said he would like to "pitch" another idea: If the union membership agrees to draft a document to hold harmless with the township, would that be OK?

Randles offered to contact Dillon telling her it is OK to talk to Shull. Shull said he doesn't want to talk with an attorney, he wants something in writing. After some discussion, the trustees decided that Petty would go to Dillon's office the next day for more explanation of her opinion. Randles said he will not go against the prosecutor's advice.

Shull told the trustees he is working at the end of his timeline.

Randles asked what the concern was with the Ohio Public Employees Deferred Comp plan that the township already participates in. Shull said he had heard of a case where a widow of a firefighter tried to get burial funds and was not successful. Petty said that case may have been

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complicated by a beneficiary issue. Shull said it had been difficult to move money in the beginning from that fund to another because Ohio did not believe they had to comply with the 457 rules. He said firefighters are denied a seat on the board that governs the plan. Cotner said he does not believe the Ohio plan offers as much as other plans and he is not pleased with the fund.

Shull said they have a union meeting next Tuesday and he would like feedback by then.

Cotner said the board has gone against the Prosecutor's Office many times before. Randles said that this board hasn't.

Cotner gave examples of other township liabilities and questioned why the trustees would not accept the liability of this plan.

ADJOURNMENT:

Petty adjourned the meeting.

David Petty
Chairperson

Carol J. Moore
Fiscal Officer