

December 7, 2012

The Board of Directors represents that the record of the proceedings of the previous session on September 21st, 2012 as contained in the Land Reutilization Corporation's official electronic recording and all resolutions attached herein has been reviewed and found to be a full and accurate record of the proceedings.


Wade Kapszukiewicz, Chair

Attest:


Karen Poore, Secretary of the Board



Lucas County Land Reutilization Corporation
Board of Directors Meeting
Friday, December 07, 2012 at 1:00 p.m.

1. Call to order by the Chairman Kapszukiewicz
2. Additions/Deletions to Agenda
3. Approval of the September 2012 Minutes
4. Action Items
 - a. Treasurer's Report
 - i. **Resolution 2012-026: Adopting the 2013 Annual Budget of the Corporation**
 - ii. **Resolution 2012-027: : Adopting the LCLRC Audit Committee Policy**
 - iii. **Resolution 2012-028: Adopting a Credit/Debit Card Policy**
 - b. President's Report
 - c. Executive Director's Report
 - i. Property Acquisition / Disposition Update
 - ii. Moving Ohio Forward Grant Project Update
 - iii. Review and discuss preliminary proposals from the Lucas County Housing Fund and Land Bank.
5. New Business
 - a. Establishing a Schedule of Meetings for 2013
6. Adjournment



Date: December 7, 2012

Resolution No. 2012-026

Title: Adopting the 2013 Annual Budget of the Corporation

Summary/Background: Pursuant to the Code of Regulations, the Board called and held a public hearing as part of its regular December 7, 2011 meeting to consider budget appropriations for the 2013 fiscal year. Pursuant to that hearing, the Board wishes to authorize the adoption of the 2013 annual budget for the Land Bank.

The primary income sources for the Land Bank in 2013 include the statutory DTAC allocation by the Board of County Commissioners, payable after each half-year tax collection settlement, and property sales income from the Land Bank's primary programs. The primary income uses for the Land Bank in 2013 include neighborhood reinvestment funding, targeted demolition through contracts with the City of Toledo and private companies, ongoing property inspection and maintenance, and administrative and legal support services for acquisition & disposition.

Authority: Code of Regs. § 9.3

Director Mann offered the following resolution:

WHEREAS, in consideration of the above, NOW, THEREFORE BE IT RESOLVED by the Board of Directors, Lucas County Land Reutilization Corporation, that:

Section 1. The 2013 Budget Proposal attachment, incorporated by reference, is hereby adopted as the annual budget of the corporation for the 2013 fiscal year.

Section 2. The Treasurer, with approval by the President or his designee, shall be authorized to amend the annual 2013 budget to reflect the final 2012 unappropriated balance of funds as carryover income.

Section 3. The President, or his designee, is authorized to take all steps necessary to effectuate an agreement with the County Treasurer's office for the purpose of sharing equipment and supplies, including but not limited to office copiers and office printers, for the 2013 fiscal year in an amount not to exceed \$350/month and pursuant to the adopted 2013 budget, appropriate funds accordingly.

Section 4. Pursuant to the adopted 2013 budget, the Treasurer, or his designee, shall appropriate an amount not to exceed \$45,939.00 to the County Treasurer for the 2013 fiscal year for administrative services consistent with the statutory duties of the Treasurer's office.

Section 5. Pursuant to the adopted 2013 budget, the Treasurer, or her designee, shall appropriate an amount not to exceed \$25,000.00 to the County Prosecutor for the 2013 fiscal year for administrative services.

Section 6. This Board finds and determines that all formal actions of this Board concerning and relating to the adoption of this resolution were taken in an open meeting of this Board and that all deliberations of this Board that resulted in those formal actions were in a meeting open to the public in compliance with the law.

Section 7. This resolution shall be in full force and effect from and immediately upon its adoption.

Action Taken:

Director Kapszukiewicz voted yes

Director Wozniak voted yes

Director Gerken was absent

Director Kovacs voted yes

Director Hicks-Hudson voted yes

Director Mann voted yes

Director Stanbery was absent

Director Furney voted yes

Director Zietler voted yes



Karen Poore, Secretary of the Board

Lucas County Land Reutilization Corporation
2013 Budget Proposal
January - December 2013

	2012 Budget (Approved)	2013 Budget (Proposed)	Yr to Yr Difference
Income			
Acquisition Reimbursement Income	2,000.00	2,000.00	0.00
Annual Carry-Over	1,398,561.00	245,327.00	-1,153,234.00
Operating Income from Statutory DTAC	1,621,000.00	1,621,000.00	0.00
Property Sales Income	200,000.00	350,000.00	150,000.00
Budget Stabilization Fund	0.00	0.00	0.00
Wage Reimbursement Income	0.00	32,450.00	32,450.00
Total Income	\$ 3,221,561.00	\$ 2,260,777.00	-\$ 970,784.00
Expenses			
Acquisition Costs	2,000.00	2,000.00	0.00
Advertising	1,500.00	1,500.00	0.00
Bank Charges	1,000.00	1,000.00	0.00
Conferences	2,000.00	2,000.00	0.00
County Administrative Services	91,484.00	70,939.00	-20,545.00
Demolition Expense	1,875,000.00	870,000.00	-1,005,000.00
Employer Retirement Contribution Expense		13,000.00	13,000.00
Environmental Services	100,000.00	100,000.00	0.00
Field/Holding Costs		0.00	0.00
Holding Costs	90,000.00	90,000.00	0.00
Inspection	26,250.00	26,250.00	0.00
Lawn Maintenance	65,000.00	65,000.00	0.00
Property Improvements	20,000.00	20,000.00	0.00
Utilities	20,000.00	20,000.00	0.00
Healthcare Expenses	40,000.00	50,000.00	10,000.00
Information Technology	60,000.00	25,000.00	-35,000.00
Insurance	10,000.00	12,000.00	2,000.00
Office Expenses	40,000.00	4,000.00	-36,000.00
Payroll Expenses	1,000.00	1,200.00	200.00
Taxes	25,000.00	24,000.00	-1,000.00
Wages	215,000.00	286,000.00	71,000.00
Professional & Testing Fees	20,000.00	20,000.00	0.00
Project Reinvestment Fund	150,000.00	150,000.00	0.00
Rehab Match Program	100,000.00	100,000.00	0.00
Rent or Lease	6,200.00	17,600.00	11,400.00
Repair & Maintenance		0.00	0.00
Title Work Fees	2,000.00	2,000.00	0.00
Travel & Mileage	500.00	3,000.00	2,500.00
Other income			
Investment Income	1,000.00	2,500.00	1,500.00
Miscellaneous Income		0.00	0.00
Reimbursed Expenses	100.00	0.00	-100.00
Miscellaneous Expenses	2,000.00	2,000.00	0.00
Penalties & Settlements			0.00
Reconciliation Discrepancies			0.00
Total Expenses	\$ 2,965,934.00	\$ 1,978,489.00	-\$ 987,445.00
Net Carryover Income	\$ 256,727.00	\$ 274,788.00	\$ 18,061.00

Lucas County Land Reutilization Corporation
Budget vs. Actuals: FY 2012 Budget - FY12 P&L
 January - November, 2012

	Total			
	Actual	Budget	over Budget	% of Budget
Income				
Acquisition Reimbursement Income	7,124.92	1,826.00	5,298.92	390.19%
Annual Carry-Over		1,282,006.00	-1,282,006.00	0.00%
Operating Income from Statutory DTAC	1,797,770.99	1,485,913.00	311,857.99	120.99%
Property Sales Income	345,849.20	183,326.00	162,523.20	188.65%
Total Income	\$ 2,150,745.11	\$ 2,953,071.00	-\$ 802,325.89	72.83%
Expenses				
Acquisition Costs	5,082.10	1,826.00	3,256.10	278.32%
Advertising	5,178.14	1,375.00	3,803.14	376.59%
Bank Charges	426.79	913.00	-486.21	46.75%
Conferences	1,335.00	1,826.00	-491.00	73.11%
County Administrative Services	91,484.00	83,853.00	7,631.00	109.10%
Demolition Expense	298,791.26	1,718,750.00	-1,419,958.74	17.38%
Employer Retirement Contribution Expense	3,726.71		3,726.71	
Environmental Services	233,623.00	91,663.00	141,960.00	254.87%
Field/Holding Costs		0.00	0.00	
Holding Costs	60,609.20	82,500.00	-21,890.80	73.47%
Inspection	22,985.00	24,057.00	-1,072.00	95.54%
Lawn Maintenance	31,821.25	59,576.00	-27,754.75	53.41%
Property Improvements	25,541.00	18,326.00	7,215.00	139.37%
Utilities	3,087.08	18,326.00	-15,238.92	16.85%
Total Field/Holding Costs	\$ 144,043.53	\$ 202,785.00	-\$ 58,741.47	71.03%
Healthcare Expenses	30,205.76	36,663.00	-6,457.24	82.39%
Information Technology	34,831.57	55,000.00	-20,168.43	63.33%
Insurance	8,511.00	9,163.00	-652.00	92.88%
Office Expenses	34,373.39	36,663.00	-2,289.61	93.75%
Payroll Expenses	609.32	913.00	-303.68	66.74%
Taxes	20,019.19	22,913.00	-2,893.81	87.37%
Wages	194,821.41	197,076.00	-2,254.59	98.86%
Total Payroll Expenses	\$ 215,449.92	\$ 220,902.00	-\$ 5,452.08	97.53%
Professional & Testing Fees	20,235.62	18,326.00	1,909.62	110.42%
Project Reinvestment Fund	18,170.00	137,500.00	-119,330.00	13.21%
Rehab Match Program	22,735.00	91,663.00	-68,928.00	24.80%
Rent or Lease	1,500.00	5,676.00	-4,176.00	26.43%
Repair & Maintenance	389.91		389.91	
Title Work Fees	1,421.12	1,826.00	-404.88	77.83%
Travel & Mileage	2,729.89	451.00	2,278.89	605.30%
Total Expenses	\$ 1,174,243.71	\$ 2,716,824.00	-\$ 1,542,580.29	43.22%
Net Operating Income	\$ 976,501.40	\$ 236,247.00	\$ 740,254.40	413.34%
Other Income				
Investment Income	2,368.85	913.00	1,455.85	259.46%
Miscellaneous Income		0.00	0.00	
Reimbursed Expenses	3,859.24	88.00	3,771.24	4385.50%
Total Other Income	\$ 6,228.09	\$ 1,001.00	\$ 5,227.09	622.19%
Other Expenses				
Miscellaneous Expenses	762.00	1,826.00	-1,064.00	41.73%
Penalties & Settlements	5.19	0.00	5.19	
Reconciliation Discrepancies	0.00		0.00	
Total Other Expenses	\$ 767.19	\$ 1,826.00	-\$ 1,058.81	42.01%
Net Other Income	\$ 5,460.90	\$ 825.00	\$ 6,285.90	-661.93%
Net Income	\$ 981,962.30	\$ 235,422.00	\$ 746,540.30	417.11%



Date: December 7, 2012

Resolution No. 2012-027

Title: Authorizing the adoption of policies governing Audit Committee Authority

Summary/Background: In November, 2012, the Audit Committee of the Lucas County Land Bank met for the first time to discuss drafting and adopting policies and procedures. Accordingly, the Audit Committee has drafted the attached policies governing Audit Committee Authority and hereby presents said policies to the Board.

Pursuant to the recommendations of the Audit Committee, the Board wishes to adopt the attached policies relating to Audit Committee Authority.

Authority: Code of Regulations §5.1

Director Wozniak offered the following resolution:

WHEREAS, in consideration of the above, NOW, THEREFORE BE IT RESOLVED by the Board of Directors, Lucas County Land Reutilization Corporation, that:

Section 1. The Board hereby adopts the attached policies governing Audit Committee Authority and incorporates them into the Land Bank's Policies and Procedures.

Section 2. This resolution shall be in full force and effect from and immediately upon its adoption.

Action Taken:

Director Kapszukiewicz voted yes

Director Wozniak voted yes

Director Gerken was absent

Director Kovacs voted yes

Director Zeitler voted yes

Director Mann voted yes

Director Stanbery was absent

Director Furney voted yes

Director Hicks-Hudson voted yes

A handwritten signature in cursive script that reads "Karen Poore".

Karen Poore, Secretary of the Board

Lucas County Land Reutilization Corporation Audit Committee Authority

Purpose

The Board of Directors (Board) of the Lucas County Land Reutilization Corporation has created a committee of one or more Board members and officers and staff to be known as the Audit Committee (Committee) for the purpose of assisting the Board in fulfilling its fiduciary and oversight responsibilities for the financial reporting process, the systems of internal control, the audit process, and the Board's process for monitoring compliance with laws, regulations, policies, the standards, of conduct, and public responsibilities.

Authority

The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Approve the President's recommended annual audit plan.
- Review all proposed auditing services.
- Recommend the appointment and compensation of a registered public accounting firm or the Auditor of State to the Board for employment in conjunction with the annual audit.
- Seek any information it requires from officers or employees.
- Resolve, with the approval of the Board, any disagreements between management and the auditor regarding financial reporting.

Meetings

The Committee will meet at least two times a year, with authority to convene additional meetings, as circumstances require. Meetings can be in person or via conference calls. The Committee and the Board endorse the spirit of Ohio's Open Meetings Act but recognize that it is not applicable to those committee meetings where public business of the corporation is discussed, and if less than a majority of the members of the Board are present.

Responsibilities

The Committee is responsible for all activities consistent with its authority, including but not limited to the following:

Financial Statements

- Review with management and external auditors the results of the audit, including any difficulties encountered.
- Review significant accounting and reporting changes and issues.
- Review the quarterly and annual financial statements.
- Review with management all matters required to be communicated to the committee under generally accepted auditing standards.

Internal Control

- Consider the effectiveness of the Board's internal control environment related to annual financial reporting, including information technology security and controls.
- Understand the scope of the auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with managements responses.
- Evaluate the adequacy of internal control systems by reviewing reports made by the auditors.

External Audit

- Ensure that an annual external audit is conducted in compliance with statutory requirements.
- Review the auditors proposed audit scope.
- Review the performance of the auditors, and exercise final approval of the compensation, appointment or discharge of the auditors.
- Review and confirm the independence of the auditors by obtaining statements from the auditors on relationships between the auditors and the Board.
- Review any management letters issued by the auditors. Meet with the auditors as circumstances warrant.

Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up of any instances of noncompliance.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.

Reporting Responsibilities

- The Committee Chairman will report on the activities of the Committee to the full Board.
- The Committee will facilitate an open avenue of communication between the external auditors and the Board.



Date: December 7, 2012

Resolution No. 2012-028

Title: Authorizing the adoption of an updated Credit/Debit Card Policy

Summary/Background: In November, 2012, the Audit Committee of the Lucas County Land Bank met and discussed the need for the implementation of an updated policy governing the use of the Land Bank's credit and/or debit card(s). Accordingly, the Audit Committee has drafted the attached Credit/Debit Card Policy and hereby presents said policy to the Board.

Pursuant to the recommendations of the Audit Committee, the Board wishes to adopt the attached Credit/Debit Card Policy.

Authority: Code of Regulations §5.1

Director Furney offered the following resolution:

WHEREAS, in consideration of the above, NOW, THEREFORE BE IT RESOLVED by the Board of Directors, Lucas County Land Reutilization Corporation, that:

Section 1. The Board hereby adopts the attached Credit/Debit Card Policy and incorporates them into the Land Bank's Policies and Procedures.

Section 2. This resolution shall be in full force and effect from and immediately upon its adoption.

Action Taken:

Director Kapszukiewicz votes yes
Director Wozniak voted yes
Director Gerken was absent
Director Kovacs voted yes
Director Zeitler voted yes
Director Mann voted yes
Director Stanbery was absent
Director Furney voted yes
Director Hicks-Hudson voted yes

A handwritten signature in cursive script that reads "Karen Poore".

Karen Poore, Secretary of the Board

Lucas County Land Reutilization Credit/Debit Card Policy

PURPOSE:

To provide user information to those employees who have been approved by the Lucas County Land Reutilization Corporation (Land Bank) to do business for the Land Bank using a credit/debit card issued in the Land Bank's name. The use of credit/debit card for Land Bank financial transactions is limited and carefully controlled. While the use of credit/debit cards is an accepted practice and, in some cases, the only permitted practice, their use is allowed only for specific purposes and situations to transact Land Bank business.

SECTION 1: Land Bank Credit/Debit Card Authorization

- 1) A Land Bank President may apply to the Land Bank Board for authorization to have an officer or employee of the organization use a credit/debit card. The authorization request shall state whether the card is to be issued only in the name of the office or whether the issued card shall also include the name of a specified officer or employee.
- 2) The Land Bank Board shall certify specific appropriation line items for which the credit/debit card is approved for use; the board shall authorize the officer or employee to incur debt for the expenses against the Land Bank's credit/debit card up to the authorized amount.

SECTION 2: Land Bank Credit/Debit Card Use by Employees

In order to assist with the payment of work-related and/or emergency expenses, it is in the best interest to have certain credit/debit cards available. Therefore, these guidelines should be applied on a conservative basis, consistent with normal business standards, with good judgment exercised wherever the policy is silent. The following guidelines were established to assure the proper use of the Land Bank's credit/debit cards.

- 1) A credit/debit card held by the Land Bank shall be used only to pay the following work-related expenses:

Eligible uses of credit/debit card:

- a. Food expenses, transportation expenses, lodging expenses, internet service provider expenses and field service related expenses.

Ineligible use of credit/debit card

- a. Personal purchases "Absolutely no personal use of the card is allowed". Personal purchases include: gratuities and excess daily meal allowance; gasoline for any personal vehicle; cash advances; alcoholic beverages.

- 2) All existing purchasing policies apply to purchases made on a credit/debit card.

- 3) No fees or interest charged by a card company because of late payments due to untimely submission of record will be paid from Land Bank funds, unless authorized by the Land Bank Board. Unauthorized payment of fees will be the responsibility of the Executive Director who will be personally responsible for those fees if they appear on the billing.
- 4) The debt incurred as a result of the use of a credit/debit card shall be paid from money appropriated to specific appropriation line items for work-related expenses listed.
- 5) Land Bank treasury shall be reimbursed for any amount spent beyond the originally appropriated amount.
- 6) For all credit/debit card transactions the employee or official using a Land Bank credit/debit card will submit documentation sufficient to satisfy Internal Revenue Service requirements for employee business expenses. This documentation will include the credit/debit card slip (customer copy) along with a receipt or invoice from the vendor that documents the goods or services purchased the cost of the goods or services and the date of the purchase. Each receipt will also indicate the official Land Bank business for which the expense was incurred.
- 7) The individual authorized to make such purchases or returns will be liable for payment of any undocumented items presented on an invoice for payment.
- 8) Violations will be cause for immediate revocation of authorization to use a credit/debit card or procurement card; revocation of the credit/debit card or procurement card; and may result in disciplinary action up to and including termination.
- 9) If any employee suspects the loss, theft, or possibility of unauthorized use of the card, the officer/employee shall notify the Board immediately in writing.
- 10) Executive Director is responsible for the physical custody of the card, and for maintaining confidentiality of all information relating to the card such as the account number and expiration date. That card is not to be loaned to anyone or used by anyone other than the person designated to do so. The cardholder will sign a written acknowledgment indicating that the cardholder understands the intent of the program and agrees to adhere to the policy and guidelines established by the approving authority. The Treasurer will retain the signed acknowledgement, and maintain current record of all cardholders.



Lucas County Land Bank - Project Report
2012 Stats - As of 12/4/12

Projects		% of Total Parcels
Pre-Acquisition Parcels	314	39.8%
Currently Owned Parcels	175	22.2%
Sold Parcels with a Rehab Reverter	40	5.1%
Sold Parcels with no Rehab Reverter	259	32.9%
Total Active Parcels	788	70.9%
Unable to Assist Parcels	324	29.1%
Total Parcels Considered - 2012	1112	

Type of Parcels - To Date		% of Total Parcels
Total Parcels	788	
Single Family Residential (1FAM)	290	36.8%
Multi-Family Residential (MFAM)	28	3.6%
Vacant Lot (VACLOT)	419	53.2%
Industrial (INDST)	1	0.3%
Commercial or Industrial (COMM)	50	6.3%

Disposition Status		% of Ready to be Sold
Aquired Property Ready to Be Sold	128	
<i>Lots with an End User</i>	82	64.1%
<i>Structures with an End User</i>	8	6.3%
<i>No End User</i>	37	28.9%
Property Needs Further Inspection	20	2.5%
Property Is Scheduled for Demolition	139	
<i>Future Lots with End User</i>	130	93.5%
<i>Future Lots with No End User</i>	9	6.5%
Property Is Being Held in "Land Bank"	1	0.1%
An End-User Has Been Identified	741	94%



Wade Kapszukiewicz, Chair

Land Bank Board of Directors 2013 Meeting Schedule

All meetings will be held on the third Friday of the month at 1:00 p.m. at the EMS Training Center, 2127 Jefferson, Toledo, OH 43604, unless otherwise indicated with proper notice.

January 18, 2013

February 15, 2013

March 15, 2013*

April 19, 2013

May 17, 2013

June 21, 2013

July 19, 2013

August 16, 2013

September 20, 2013

October 18, 2013

December 6, 2013**

*Denotes Annual Meeting of the Board, unless otherwise changed

**Denoted change date for combined November / December meeting