



# ERIE COUNTY TREASURER

JO DEE FANTOZZ



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Erie County Commissioners  
2900 Columbus Ave.  
Sandusky OH 44870

March 10, 2011

Dear Honorable Board:

In the calendar year 2010, the total investment income earned was \$957,686.26. Our projected revenue from investments was \$1.2 million. As you are well aware, the investment climate was at an all-time low, at best. We fell short by about \$240,000.00. The interest rates on our bank accounts fell from a high of 0.50% at Citizens Banking Company to a low of 0.03% at Charter One in October of 2010. Our overall return on investment (using our average dollars to invest and the interest on all investments) was 1.57%.

The breakdown on the investment income is as follows:

Certificates of Deposit:	\$645,186.79
Short Term Investments:	\$244,725.88
Bank Account Interest:	\$ 56,590.65
Internal Borrowing:	\$ 11,182.94

We again thank Productive Portfolios for their expertise in helping us invest the county's monies and providing invaluable input. We believe the county benefits from this relationship more so in this investment climate than in the best of times.

This year we have collected over \$500,000.00 in our foreclosure efforts. This is not including the monthly payments that taxpayers have undertaken to avoid foreclosure. By law, the Treasurer must offer a payment plan at least one time. Many of these property owners follow through with their payment plans and subsequently are current and able to stay in their homes. As we have said before, it is NEVER the goal of the county to take someone's home away. We are here to assist them in paying their delinquent taxes and then remaining current. I have included a list of the most prominent foreclosures and the revenue brought in by each at the conclusion of the cases.

We met regularly with the Prosecutor's office in an effort to remain on top of the foreclosure issue in Erie County. This proved to be a challenge at times because of the

loss of one employee in 2010. We are also working with the city's land bank program and have seen some good things happening on that front. Many of these delinquent small parcels are bought by the next-door property owner and thus returned to tax producing properties again.

I have included with this report an update on how the DTAC money was spent in 2010.

We are continuing our prepayment program and hope that we will be able to sustain this. As you may know, the Treasurer receives the interest on the prepay fund (26510) and this is used to pay for the expenses associated with this program. In 2010, this interest income was only \$16,538.83. This is hardly enough to keep paying for the employee, benefits and supplies to run this program. Many of our senior citizens rely on this payment plan to help them manage their limited income.

This past year we also started an automatic withdrawal program for our taxpayers who would rather have their half year tax payments come directly to us through their checking or savings accounts via electronic fund transfer. Obviously, the taxpayers request this service and give us access to their bank accounts. We would like to begin using this method for our prepayment program in the near future. This would require more time each month for one employee to maintain the records and make the necessary data entry to the bank and our real estate software system.

The Treasurer brought in over \$300,000.00 in fees to the County's general fund through the collection of taxes in 2010, whether they be real estate, mobile home or personal property; current, prepay or delinquent. Please remember that this office is self sustaining and, in fact, generates several thousand dollars to the general fund each year.

The Treasurer's office also increased the general fund by over \$1,500.00 through non-sufficient fund fees and charges for copies in 2010.

We had one employee retire this year with 30 years of service to the county. Lois Dean was a loyal employee with the Erie County Treasurer's office since 1980 and retired in July. We thank her again for her hard work and dedication.

I believe we are all aware, also, of the tragic event in the Treasurer's office in 2010. Unfortunately, one of our employees was caught misappropriating funds. This resulted in a special audit and the cost for that was just over \$99,000.00. The theft was \$146,592.00 and was committed by a long-time and trusted employee. This employee pleaded guilty and is now serving three years in the Marysville prison for women. This event obviously made us take a long, hard look at the policies and procedures in our office. The Treasurer's office has always kept very detailed records and these became invaluable during the investigation. We now have a policy to track all **cash** coming through this office, whether it be paid in by other departments or collected in taxes. We have also taken measures to make sure those other departments are given a copy of what they bring to us and to keep those copies for their records. The Auditor's new software, implemented in January, 2010, will be instrumental in preventing this kind of behavior

again. Other measures are important and will be implemented as the funds become available. We would like to have other cameras and cash registers that are compatible with our software. These measures, in addition to another full-time employee, would benefit the office as well as the county in deterring this from happening again.

As always, we invite the Commissioners to visit our office any time. We would be glad to show you around and explain what we do and how we have tried to make our office efficient in the current economic climate. We are proud of our office and the help that we provide to the Erie County taxpayers we serve.

Respectfully,

A handwritten signature in cursive script, appearing to read "Jo Dee".

Jo Dee Fantozz  
Erie County Treasurer

Cc: Productive Portfolios

## INTEREST EARNED IN CALENDAR YEAR 2010

	<u>BANKS</u>	<u>INVESTMENTS</u>	<u>TOTAL</u>	<u>2010 YTD TOTAL</u>	<u>2009 YTD TOTAL</u>	<u>DIFFERENCE</u>
JANUARY	\$ 4,984.58	\$ 41,689.93	\$ 46,674.51	\$ 46,674.51	\$ 48,893.05	\$ (2,218.54)
FEBRUARY	\$ 5,817.20	\$ 33,441.03	\$ 39,258.23	\$ 85,932.74	\$ 104,423.06	\$ (18,490.32)
MARCH	\$ 9,178.77	\$ 123,456.45	\$ 132,635.22	\$ 218,567.96	\$ 262,169.63	\$ (43,601.67)
APRIL	\$ 4,320.53	\$ 37,270.22	\$ 41,590.75	\$ 260,158.71	\$ 374,420.89	\$ (114,262.18)
MAY	\$ 4,154.55	\$ 50,180.88	\$ 54,335.43	\$ 314,494.14	\$ 501,176.14	\$ (186,682.00)
JUNE	\$ 3,902.92	\$ 167,421.54	\$ 171,324.46	\$ 485,818.60	\$ 774,298.83	\$ (288,480.23)
JULY	\$ 6,502.81	\$ 32,463.71	\$ 38,966.52	\$ 524,785.12	\$ 835,253.33	\$ (310,468.21)
AUGUST	\$ 6,068.15	\$ 48,432.03	\$ 54,500.18	\$ 579,285.30	\$ 891,392.54	\$ (312,107.24)
SEPTEMBER	\$ 3,760.64	\$ 140,509.01	\$ 144,269.65	\$ 723,554.95	\$ 1,043,856.53	\$ (320,301.58)
OCTOBER	\$ 2,730.32	\$ 29,891.53	\$ 32,621.85	\$ 756,176.80	\$ 1,106,651.36	\$ (350,474.56)
NOVEMBER	\$ 2,932.08	\$ 46,470.48	\$ 49,402.56	\$ 805,579.36	\$ 1,205,255.93	\$ (399,676.57)
DECEMBER	\$ 2,238.10	\$ 149,868.80	\$ 152,106.90	\$ 957,686.26	\$ 1,613,880.37	\$ (656,194.11)
<b>TOTAL</b>	<u>\$ 56,590.65</u>	<u>\$ 901,095.61</u>	<u>\$ 957,686.26</u>			

ERIE COUNTY SHERIFF SALES  
 PLAINTIFF - ERIE COUNTY TREASURER, JO DEE FANTOZZ  
 JANUARY 1, 2010 - DECEMBER 31, 2010

CASE #	NAME	AMOUNT COLLECTED IN TAXES
2002-CV-0567	ROBERT HENNESSEE	\$ 3,543.10
2008-CV-0960	WILLIAM BARTHEL	\$ 20,263.02
2009-CV-0004	ASHLEY LEASING CO	\$ 23,086.53
2006-CV-0423	THOMAS BIRMINGHAM	\$ 21,355.98
2008-CV-0597	DEBRA SAUNDERS	\$ 9,341.24
2007-CV-0102	HARVEY HEYS	\$ 17,163.62
2010-CV-0261	HUBERT TUCKER JR	\$ 7,747.17
2009-CV-0991	ROTH BROTHERS	\$ 16,009.24
2010-CV-0070	MR MAX INC	\$ 18,068.33
2008-CV-0560	KATHY ADAMS (MCDANIELS)	\$ 5,438.74
2009-CV-0252	BRADLEY & EDITH KUNS	\$ 21,771.56
2008-CV-0576	DELL MILNER	\$ 8,777.18
2007-CV-0289	GLEN CAREY	\$ 13,535.68
2008-CV-0559	JOHN R. BARONE	\$ 11,762.50
2007-CV-0748	TRAVIS THOMAS	\$ 14,273.62
2010-CV-0622	HUBERT TUCKER JR	\$ 2,152.93
2010-CV-0709	MICHAEL CONRAD	\$ 21,500.00
2007-CV-0505	CHRISTINA HALL	\$ 15,413.56
2007-CV-0005	EDWARD HASTINGS	\$ 14,397.75
2010-CV-0709	MICHAEL CONRAD	\$ 25,345.47
2006-CV-0104	WATERS EDGE APARTMENTS	\$ 8,713.96
2009-CV-0954	CARON HUTCH (RAMAGE)	\$ 14,624.47
2003-CV-0427	SANDRA MATTER	\$ 8,948.66
		\$ 323,234.31
IN ADDITION TO THESE WE COLLETED ANOTHER \$187,637.04 BY CONTACTING DELINQUENT TAXPAYERS AND INFORMING THEM OF THE POSSIBILITY OF FORE- CLOSURE BECAUSE OF DELINQUENT TAXES.		\$ 187,637.04
		<b>\$ 510,871.35</b>

# Trial Balance Report

Erie County Auditor  
Summary  
YTD Ending 12/31/10

		<u>Debits</u>	<u>Credits</u>
<b>Fund 22010 Delinquent Real Estate</b>			
Expenditures	1200-511200	Regular Salary	44,235.72
	1200-511300	Part Time Salary	2,364.92
	1200-512006	Medicare Employer	290.27
	1200-512131	OPERS	5,441.07
	1200-512300	Unemployment Comp	5.48
	1200-512401	Medical - Employer	11,155.00
	1200-512500	Worker's Compensation	699.03
	1200-521100	DIq RE Tax-Treasurer-Office Suppl	2,247.50
	1200-527600	DIq RE Tax-Treasurer-Title Fees	29,585.55
	1200-528000	DIq RE Tax-Treasurer-Travel	1,813.18
	1200-530000	DIq RE Tax-Treasurer-Contract Svc	4,336.31
	1200-533100	DIq RE Tax-Treasurer-Hardwaer Maint	1,038.00
		<b>Total Fund Delinquent Real Estate 22010</b>	<b>103,212.03</b>

# PRODUCTIVE PORTFOLIOS INC

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JANUARY 14, 2011

Record Year!

Well if you are looking to break records one that you would not want to break is that in 2010 the nation had a total of 1.05 million home foreclosures, the most in history. Analysts are looking for 2011 to beat that record and be the peak for foreclosures. One in every 45 households received a foreclosure notice in 2010. Ohio finished 13th with one in every 47 households receiving a foreclosure notice. Approximately 5 million home owners are at least 2 months behind on their mortgage, a reflection of high unemployment, falling home prices and tight lending standards. More than half of the foreclosures in the nation are in just 5 states: California, Florida, Arizona, Illinois and Michigan. To put things in perspective, in the year 2005 before the housing bubble burst, there were only a total of 100,000 foreclosures.

Next week is a light economic calendar because of the Monday holiday.



Market Rates			
	Today (1)	Last Week	Last Year
STAR Ohio	0.11%	0.10%	0.05%
2 year T Note	0.58%	0.59%	.94%
5 year T Note	1.89%	1.95%	2.52%

(1) Rates as of 1:00 p.m.

## THE WEEK AHEAD

Economic Indicators			Consensus <sup>(1)</sup>	Prior Release
Jan 19	8:30 am	Housing Starts	550k	555k
	8:30 am	Building Permits	555k	544k
Jan 20	8:30 am	Initial Jobless Claims	425k	445k
	8:30 am	Continuing Claims	3990k	3879k
	10:00 am	Existing Home Sales	4.89M	4.68M
	10:00 am	Leading Indicators	.6%	1.1%
	10:00 am	Philadelphia Fed.	21.0	24.3

(1) Source: Bloomberg

Questions or comments: email us [advisors@productive-portfolios.com](mailto:advisors@productive-portfolios.com) or call 1-800-635-7513

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