

ALLEN COUNTY COUNCIL MEETING MINUTES
THURSDAY, JULY 21, 2005
8:30 AM

The Allen County Council met in the County Council Chambers/Commissioners Courtroom on Thursday, July 21, 2005 at 8:30 am. The purpose of the meeting was for additional appropriations and transfer of funds in excess of the budget for the current year; also Economic Development, Grants and any other business to come before Council.

Present: Darren E. Vogt, President; Paula S. Hughes, Vice President, Michael W. Cunegin II, Calvert S. Miller, Paul G. Moss, Roy A. Buskirk and Paulette L. Kite.

Also Present: Lisa Blosser, Auditor; Tera Klutz, Chief Deputy Auditor; Jackie Scheuman, Financial Advisor, Susan Whetstone, Administrative Assistant; Lin Wilson, Grant Administrator, Linda K. Bloom and F. Nelson Peters IV, County Commissioners.

President Darren Vogt called the meeting to order at 8:30 am with the Pledge of Allegiance.

APPROVAL OF MINUTES:

Cal Miller made a motion to approve the June 16, 2005 minutes as printed. Roy Buskirk seconded it. Motion passed 7-0.

FINANCIAL REPORT:

Lisa Blosser, Auditor: The amount left for appropriation today is \$8,040,569; for your consideration today there are additional appropriation requests of \$10,167, the outstanding debt to the Boys & Girls School is \$7.8 million.

Cal Miller made a motion to accept the financial report as presented. Mike Cunegin seconded it. Motion passed 7-0.

ECONOMIC DEVELOPMENT:

Scott Harrold: Consideration of a resolution approving Statement of Benefits (SB-1) for Allied Building Companies, LLC and NeuroSpine/Pain Surgery Clinic, LLC located at 7590 West Jefferson Blvd. Based on the points system they are eligible for a 10 year real property abatement and 7 years a personal property abatement. This project involves about a \$9.6 million investment and they are proposing to build a 56,000 square foot three story office building to house

multiple tenants within the medical field. The equipment is about \$1.5 million dollars and is classified as IT equipment. The project will create about 27 new jobs with salaries of about \$42,000; they will save approximately \$988,000 in taxes most of it on the real property.

Keith Smith representing Fort Wayne Neurological and Linda Hirely of Baden, Gage and Schroeder were present to answer any questions that Council might have.

This is a very good thing to have in our County as people come from all over the area for treatment at the facility. This also helps the local economy by people shopping, eating and staying the night.

Mike Cunegin made a motion to approve Resolution 05-07-21-01 for Statement of Benefits (SB-1) for Allied Building Companies, LLC and NeuroSpine/Pain Surgery Clinic, LLC located at 7590 West Jefferson Blvd. Paula Hughes seconded it. Motion passed 6-0-1 with Moss abstaining.

PRESENTATION:

Pat Love, County Assessor and Stacey Lopshire, Chief Deputy Assessor were present to explain the Reassessment Fund and Projections.

Cal Miller: Since our last meeting this Council asked the County Assessor to go back and revisit the Reassessment budget and the way it is interconnected with the General Fund Budget. Council had concerns that the expenditures in the Reassessment budget at the current level would, in the near future, run this budget into the red. When that occurs, obviously we need for the reassessment function to take place in this county because it is extremely important to the collection that ends up funding the government structure in Allen County. So, if the Reassessment fund should run into the red it would result in the general fund being tapped in one of two ways: 1. directly funds coming out of the general fund to support the assessing function or 2. the Reassessment fund rate being increased to the detriment of the general fund rate. With Senate Enrolled Act 327 the County Assessor, as well as other Assessors in the community, has the ability to appeal to the DLGF to increase the reassessment rate that takes it out of County Council control. We want to make sure that the Reassessment fund remains healthy so the need for Reassessment dollars doesn't come to the point where it will tax the general fund and put us in a quandary as to how we are going to fund the operation of the rest of county government.

With that in mind the County Assessor with her capable staff, the County Auditor and I, since the last meeting, have been meeting to try to wrap our minds around this issue.

There are some things that need to happen today. As you will recall the Township Assessors made requests for general fund dollars we have not settled those requests and need to do so today. We wanted to wait and see if any of the reassessment dollars could be used to supplement some of the Township Assessors needs; we could only do that after we looked at the health of the reassessment fund and the anticipated expenditures of the reassessment by the County Assessor. We need to let them know what their allocation amounts are so we can advertise the budget in a timely manner.

The County Assessor will be requesting additional money from the County General Fund; they have substantially decreased their budget for reassessment dollars. We have thought all along that the Township Assessors could use reassessment money to supplement their, but we didn't realize how closely connected the general fund and the reassessment fund were. This is not the case as we studied this closely with the Auditor.

Pat Love: We were asked by this Council to prepare a Reassessment budget with the idea that the Township Assessors can now go to County Council directly to request funds from the Reassessment fund and the Sales Disclosure Fund. We have really cut back knowing that the townships can request their own funds through these two funds. Stacey and Beth have done a lot of research going back through the years looking at revenue and expenditures.

Stacey Lopshire, Chief Deputy Assessor made a presentation to County Council regarding the Reassessment Fund Projections. She explained the Reassessment Historical Budget and Expenditure Analysis and the Reassessment Fund projection for 2006.

She also presented some proactive changes to ensure stability to current and future and current reassessment funds.

- * 1. Remove 2 salaries from 2006-0901-419. Reassessment Fund and restore to 2002 original location of 100-0901-419. general fund.
 - a. Chief Deputy at \$43,601
 - b. Real Estate Appraisal Deputy at \$27,467

- * 2. Maintain Imaging Technician salary of \$27,467 from Sales Disclosure Fund 296-0901-419.
 - a. Position was created for 2005 budget to fulfill unfunded mandate. HEA 1001/PL 23-2004 requirement for

electronic submittal of sales disclosure data after
December 31, 2004.

** While restoring salaries to the general fund, they were also mindful to submit their 2006 general fund budget of \$323,605 which is \$9,000 less than the 2002 budget.

By restoring salaries to the general fund they can reassure the Reassessment Budget will be intact for current needs and the next Reassessment scheduled for 2009.

If the salaries are kept in the Reassessment Fund 260-0901-419. they will be looking at running the Reassessment Fund below expectation by 2008.

New changes to the Assessing Community starting in 2006 are as follows:

HEA 327 – Personal Property Abatement: Effective 2006 pay 2007 SEA 1 gives authority for approval of the ERA personal property abatement to the Township or County Assessor instead of the Auditor. It amends to change review of a property owners appeal of an abatement determination from the local courts to a preliminary conference with the County or Township Assessor and, if necessary, a hearing before the PTABOA.

Annual Trending – LSA Document #02-297: IC 6-1.1-4-4.5 Procedural requirements and standards established by this article will ensure that annual assessed valuations are reflective of current value in use conditions.

Title 50 Department of Local Government Finance: Procedures to be done annually starting in 2006 and forward to ensure assessed values reflect current market value in use in compliance with Trending Rule #02-297

There are new assessment requirements: Sales Disclosure Forms Management, Land Values, Sales Ratio Study and Equalization, Sales Comparison Approach, Income Capitalization Approach and Value Reconciliation. There are several items under each requirement.

There will be an increase in the annual work load; major work load increase comes from adding the 2 new additional steps to some 4,200 income producing properties such as: apartments, hotels, motels, offices, medical offices, mobile home parks, malls, strip malls, neighborhood shopping, mini storage facilities, warehouse space, manufacturing space and golf courses.

The increase in future work load is being structured and organized by Market analyst Team, currently supported by the Reassessment Fund. The team consists of a sales and marketing analyst, sales deputy and extra deputy hire. These positions are being utilized for the benefit of all 20 townships. Tasks and duties from annual trending are also being carried out by individual Township Assessors offices.

They have also budgeted for consulting out of the 2006 Reassessment Budget and PTABOA Budget a total of \$210,000. These funds have been and will be distributed among all 20 townships for: appeals, appraisals, PTABOA Hearings and gross rent multipliers.

The 2006 submitted budgets are as follows:

General Fund	100-0901-419.	\$323,605
Reassessment Fund	260-0901-419.	\$514,534
PTABOA Fund	260-0902-419.	\$201,057
Sales Disclosure Fund	269-0901-419.	\$ 83,708

The Township Assessors have proposed adding extra deputy hire and maintenance agreements to the Reassessment Budget.

A copy of Stacey Lopshire's presentation will be attached to the permanent record.

Roy Buskirk we will be running out of money soon unless something is done because we are using more in the Reassessment Fund than we are generating.

Cal Miller said that is true and why we are here today to talk about this issue because it becomes a liability to the general fund. At the same time they are making their case that things have become much more onerous for them and we need to come up with a solution that allows them to do the assessing function that result in an equitable taxing in the county. We want to avoid raising the rate to the Reassessment Fund to the detriment of the General Fund.

Pat Love stated that this affects everybody in the County, it is huge.

Stacey Lopshire said that we are going to be keeping our information up to date the Reassessments of the future will not be as difficult as they have been. She foresees doing drive bys or walk bys to pick up additional things that have been added to the properties. If this is done on a regular basis by the Assessors then we should be in pretty fair shape in the coming years for Reassessment.

Cal Miller stated that he would like to give the Township Assessors some idea of what they are as they have been in limbo and need to start preparing their budgets.

We would like to move forward with this; the Township Assessors made certain allocation requests out of the general fund; it doesn't appear that the Reassessment fund can support additional funds at this time and I would encourage us to give allocations to the Township Assessors today out of general fund dollars.

Darren Vogt stated that he could not recall what the original requests were.

Jackie Scheuman said that most of their additional requests were for extra deputy hire.

Stacey Lopshire stated that annual trending is going to trigger us to send a Form 11 to taxpayers every single year because in theory every single value will change. That is another annual expenditure of \$60,000 in postage. Right now we are sending the Form 11 out for next year; that will give us feedback from the taxpayer on whether there is something right or wrong on their assessment. The postage expenditure is worth the time and effort to let us know if we are on track.

Darren Vogt asked the Auditor what the deadline was for getting these numbers to her.

Lisa Blosser said she felt that the Township Assessors need some direction and that she needs the numbers the sooner the better. She can advertise high and we can always go lower but you can't increase the figure once it has been advertised.

Darren Vogt stated that he would be in favor of holding a meeting next week to go over these issues with specifically and let the Assessors know the outcome.

Cal Miller stated that we would then hold an informal, yet advertised meeting, as we did for the pre budget allocation meetings on June 1st & 2nd and sit down with the written submittals from the Township Assessors and make the decisions and give them a number.

It was determined that the meeting would be held on Tuesday, July 26, 2005 in the Commissioners Conference Room #1. There will need to be a 48 hour notice posted.

Item 1: **Scott Harrold** requested additional funds in the Lincoln Industrial TIF Fund in the amount of \$200,000 for infrastructure improvements at C&M Fine Pack.

Paula Hughes made a motion to approve item #1 in the amount of \$200,000 for infrastructure improvements. Mike Cunegin seconded it. Motion passed 7-0.

Items 2-5: **Brian Dumford, Human Resource Director** requested additional appropriation in the general fund. He reduced the amount requested removing item 3 and reducing item 5 to \$595. He needs to purchase some file cabinets to replace the file boxes that are lining their floor. He also needs to buy a new computer as he is now using a loaner machine from ACS.

Paula Hughes questioned why this expenditure would come out of the general fund and not the Cumulative Capital Development.

Brian Dumford withdrew this request at this time and will check with the Commissioners regarding purchasing the furniture & fixtures and office computer equipment from the Cumulative Capital Development Fund.

Brian Dumford reported that the Personnel Committee currently has an RFP out for the Job Evaluation Project, 29 firms have requested plans and the due date for responding is July 27th.

Item 6: **Tim Miller, Circuit Court Administrator** requested an additional appropriation in the amount of \$8,200 for an increase in the Magistrate/Hearing Officer position in Circuit Court IV-D. There is also a request for an amended salary ordinance making the increase retroactive to July 1, 2005.

Cal Miller made a motion to approve the amended salary ordinance in the annual amount of \$84,200. Paul Moss seconded it. Motion passed 7-0.

Cal Miller made a motion to approve item 6 in the amount of \$8,200 for Circuit Court IV-D. Mike Cunegin seconded it. Motion passed 7-0.

Item 7: **Ron Zartman, Superintendent of Allen County Park & Recreation** requested \$100,000 in the Park & Recreation Operating Fund. They want to make sure that they have money in place when the bills start coming in. When money comes in from grants this fund will be reimbursed. If the money is not spent it will revert back into the operating fund.

Cal Miller made a motion to approve item 7 in the amount of \$100,000. Paula Hughes seconded it. Motion passed 7-0.

Item 8: Judy Heck, Financial Coordinator for the Allen County Commissioners requested \$1,234,000 in the COIT Flood Control Fund actually it is a cash flow thing that we have to prove by issuing a purchase order that we have this money in order for the Help American Vote Act grant can be given to us.

Pam Finlayson, Director of Elections stated that in order for us to sign a contract with Micro Vote the money has to be committed to the project.

Cal Miller made a motion to approve item 8 in the amount of \$1,234,000 to ensure that we receive the HAVA Grant. Mike Cunegin seconded it. Motion passed 6-0-1 with Vogt absent.

Cal Miller made a motion for Council to sign the Help America Vote Act Resolution. Mike Cunegin seconded it. Motion passed 6-0-1 with Vogt absent.

Items 9-17: **Judge Stephen Sims** requested that grant funds be appropriated for the Juvenile Day Reporting Program in the total amount of \$118,578.

Cal Miller made a motion to approve items 9-17 in the amount of \$118,578. Paul Moss seconded it. Motion passed 5-0-2 with Vogt and Cunegin absent.

Judge Sims then addressed Council with information regarding the 2007 budget year. He had information referencing 2002-2004 statistics on Department of Corrections costs, detention commitments, case filings, as well as budgetary information on the Probation User Fee Fund. These statistics will be attached to the permanent record.

Item 18: **Chris Dunn, Executive Director of Youth Services Center and Millie McDonald the Assistant Director** were present to request funds in the amount of \$1,691 in order to purchase the following: \$720 for two new TV's, \$150 for one Playstation II, \$196 for fourteen new clock radios; these will replace radios that are several years old, \$80 for eight bathroom shower mats, the ones they have are several years old and have dry rot, \$545 anti-slip, grease proof rubber replacement matting for the kitchen, the current matting is dry rotting.

Cal Miller made a motion to approve item 18 in the amount of \$1,691. Mike Cunegin seconded it. Motion passed 7-0.

Item 19: **Judge Fran Gull, Allen Superior Court** requested additional funds in the ACP User Fee Fund in order to do the demolition of the interior part of the structure and the remodeling to accommodate the three departments that will be housed at the building on the corner of the Landing and Calhoun Street. The amount of this request is \$402,006.

Darren Vogt ask if any idea when this building will be purchased. He stated that he knows that it hasn't been purchased yet and feels that this would be like putting the cart before the horse if we appropriate this money prior to actually purchasing the building.

Judge Gull stated that there are lawyers involved and we have to work around their schedules, their attorney has reviewed the lease that was submitted by the Commissioners. As of this morning the lawyers have completed the finalization of the lease. There was a point about information technology and phone service but this issue was resolved. Once the lease has been signed the Commissioners have indicated that they will extend the offer to the owner of the building.

Darren Vogt asked if Commissioner Peters could confirm this information.

Commissioner Peters said it was exactly correct.

Paul Moss stated that he had the same concern that Councilman Vogt had and it does seem an odd sequence of events but after hearing from Commissioner Peters he feels much better about the situation.

Mike Cunegin made a motion to approve item 19 in the amount of \$402,006 for the building at the corner of Calhoun and the Landing for Superior Court. Paul Moss seconded it. Motion passed 6-1 with Vogt voting nay.

Item 20: A request from the Drug & Alcohol Consortium to appropriate \$254,084; Andy Downs, representing the Drug & Alcohol Consortium as well as Jerri Learch, Interim Executive Director, John Alexander, Mike McAlexander also representing the DAC. Also present was Kelly Wilson the Community Consultant for the Governors Commission for Drug Free Indiana.

The primary reason for the request is to seek approval for the distribution for the Drug Free Community Funds for the 2005 funding cycle.

The purpose of DAC is to provide an effective network to work collaboratively with agencies to reduce the negative impact of tobacco, alcohol and drugs in Allen County. As the local coordinating council we have to present a comprehensive plan to the State and live by that plan and it has been submitted to the State and approved. DAC is being recognized throughout the state as being a leading local coordinating council.

Cal Miller made a motion to approve item 20 in the amount of \$254,084 for DAC. Mike Cunegin seconded it. Motion passed 7-0.

SALARY ORDINANCE:

Sheriff Herman and Captain Brad Kohrman requested approval of a salary ordinance for a Clerk/Medical at the Jail the position is a COMOT 3/2 the annual salary is \$24,805. The Personnel Committee has accepted the evaluation of KEL Management for this position.

Cal Miller made a motion to approve the salary ordinance. Roy Buskirk seconded it. Motion passed 5-0-2 with Moss absent and Kite abstaining.

Sheriff Herman also requested time to discuss the North American Van Lines Building. However, they have run into a few things that they didn't anticipate and one of them is an appraisal for the building. Rather than go into everything today is to get the approval for the appraisals.

Cal Miller made a motion to allow the Sheriff and the Commissioners move forward with the appraisals of the North American Van Lines Building to ultimately acquire the building and come to Council for a final say on that. Mike Cunegin seconded it. Motion passed 6-0-1 with Kite abstaining.

Darren Vogt asked where the money was coming from to pay for the appraisal.

Commissioner Peters said that they have about \$1.8 that can come out of the Cumulative Capital Development Fund but as mentioned before they have been asked by the Auditor to reduce their 2006 allocation by about \$2.7 or \$2.8 million. These are dollars that they had earmarked toward this project. The Sheriff is willing to put up a sum of money to move closer to making this project a reality. He stated that the Commissioners may have to come back to Council for an appropriation to supplement their shortfall.

Cal Miller asked if they would have an idea not only questions about some of the costs but the Commissioners proposals in terms of the funding stream for this project.

Nelson Peters stated that yes that he has talked to the appraiser but part of the problem at this point is getting an idea of what the costs are going to be in terms of building and the renovations. He has talked to the appraisers and they are willing to provide a letter to us short of their formal proposal.

Darren Vogt stated that as he was coming in this morning he noticed that the IJ Recycling property had a sold sign on it; is that property officially been sold? Will the money be going into Sale of County Owned Property?

Nelson Peters said that there was \$6 or 700,000 coming back to us but we spend millions cleaning it up and the money from the sale will go back into the Hazardous Waste Tax Fund to reimburse that fund.

Sheriff Herman said that Captain Kohrman has been working on the people that in trying to find out where the phone lines go to get fiber optics into the building. They were a little aggressive in doing that thinking they could get everything around by this meeting. Certainly they will have it by the next meeting and hopefully have the appraisals done.

Darren Vogt asked the Commissioners for a detail where the Cumulative Capital Development fund is and how it is for the next meeting.

Nelson Peters stated that he could make a copy and have it ready before the end of this meeting.

GRANTS:

The Board of Commissioners requested approval of the Riverhaven Planning Grant application. The local match commitment is \$4,400; the Cumulative Capital Development Fund will commit \$1,500 toward the project. The total amount of the grant will be \$39,600.

Lin Wilson Grant Administrator stated that is to pursue a planning grant for the community of River Haven to do a feasibility study on water and sewer to the area. They feel this is a very worthy project to at least do a planning grant on; there is very little money on our part.

Nelson Peters said than in the long run this will allow us work toward improving the infrastructure in Riverhaven.

Mike Cunegin made a motion to approve moving forward with this grant application. Cal Miller seconded it. Motion passed 7-0.

Lin Wilson presented a resolution for County Council to sign saying that they approved the grant application.

Roy Buskirk made a motion to approve signing the resolution for the Riverhaven Planning Grant. Patt Kite seconded it. Motion passed 7-0.

RIGHT OF WAY ACQUISITION:

Roy Buskirk, being the liaison to Allen County Highway asked for permission of a Right of Way for: Project #04-209 Homestead Road Curve Relocation – Parcel 3 Aaron C. & Natusha N. Butcher at a cost of \$28,655.

Roy Buskirk made a motion to approve this right of way. Cal Miller Seconded it. Motion passed 7-0.

DISCUSSION:

The discussion with Family & Children was delayed due to the fact that they were not able to attend the meeting today. They will be available next week and a meeting has been scheduled with them on Wednesday at 9:30 am.

Lisa Blosser reported that there has been some change in legislation which is part of Senate Bill 529 stated that completely changes Council's roll in the process. There is no longer a max levy for that department and the way it reads now; the County is required to make appropriations and adopt a tax levy that is necessary to pay for child services and the Children's Psychiatric Residential Treatment Services. If you do not do that then it is left to the County Auditor to appeal.

Mike Cunegin stated that there was also some talk that if the Council's didn't do it then the State would do it.

Al Frisinger, Allen County Surveyor stated that Councilman Buskirk asked him to come today to give a short explanation of regulated drain funding and the current status relative to current reconstruction projects. These projects are very expensive to undertake as each one will cost in excess of \$300,000 and the property owners will be assessed for the reconstruction effort. If you set up maintenance it can only be used for maintenance not reconstruction. There are 38 drains that have been petitioned for reconstruction; they don't need a petition the Surveyor can make a determination of reconstruction attitude based on the age, number of complaints just basically what is it trying to service.

Roy Buskirk stated that some of the 38 projects have been on the list waiting on funding to be able to do this for 10 years or longer. During this time the cost of doing this for the property owners has increased dramatically. The reason that he wanted AI to come before the Council was that currently the bank account is roughly \$1,000,000 and two projects have basically taken that out. He would like Council to consider putting \$500,000 additional into that account so that they can move maybe one or two more projects.

He has a two pronged approach on this situation: 1. If Council would put \$500,000 into that fund we could start moving more projects through there. 2. We need to start working with the State Legislature to speed up the time so you don't have this 5 year period and maybe being able to start collecting funds instead of waiting until the project is completed before we start collecting.

Cal Miller Asked if they bond for some of these.

Al Frisinger stated that they talked about this at the Board meeting a couple of weeks ago; if you bond a project the payback is 20 years and so that rides with the real estate and so it becomes quite an issue.

Mike Cunegin asked if the Surveyors Association is willing to lean toward any legislative change.

Al Frisinger said yes; that he is currently the President of the County Surveyors Association and they look at legislative change on a regular basis. They have tweaked certain changes over the years; something that is good for Allen County may not be good for other counties.

OTHER BUSINESS:

Sheriff's compensation for collecting Indiana Department of Revenue tax warrants.

Darren Vogt stated that he had a conversation with John Feighner about four weeks ago and he thought there might be a resolution or a ruling from the Attorney Generals office but there has been none so far.

Roy Buskirk asked the Sheriff where we stand on the increase in the Sheriff Sale Fee.

Sheriff Herman stated that right now it is in the hands of our legal people; the problem with the law is that instead of giving us a guideline; when they changed it they said you can charge up to \$200 if you can justify the expense. Now they have to decide how much expense actually goes into the Sheriff's Sale. They are

getting inundated with groups that want to do this and that may be more profitable for us. As soon as they get the ok to go through with this they think they can charge \$100 per sale but we are months out as to when we can start collecting this increase in fee.

BOYS AND GIRLS SCHOOL DEBT PAYMENT PLAN:

Darren Vogt: I just had a conversation with Senator Tom Wyss; I have not confirmed this with the State Budget Director, but Senator Wyss informed me that if we do not make equal installments over the 4-year period they will withhold our funding as the statute says. I have not had Mr. Okeson look at this statute, but I have read it and no where does it say equal but it does say that we have to have an agreed upon repayment plan. We need to discuss what payment plan we need to have and what is our backup situation. We seem to be pushing the envelope to get this agreed on.

There is a pending lawsuit by the Mayor of Marion Counts that says that the State should be responsible for that cost.

Cal Miller read from the statute stating; If the agreement is not reached the state will take our PTRC in equal amounts over the 2006-2009 years. If we do make payments; I don't want to waive any rights we may have if Marion County is successful in this law suit. There needs to be something set up stating that we expect our money back if the law suit is successful.

Cal Miller also stated that we should put some language on the memo of the check to this effect: We are by no means waiving our right to receive restitution if Marion County is successful in proving that the taking of these funds and the charge is unconstitutional; or something to this effect.

Darren Vogt stated that Senator Wyss did say that if we paid and the law suit was successful, the state would pay us back. I don't think we can dictate the time shape or manner of when this money would come back to us.

Mike Cunegin stated that this was a very big topic of conversation during the legislative session this year. There has been a lot of talk that I have taken some criticism and justifiably so for doing the exact same thing and that is waiting for Marion County to make a decision. I did that in hopes that some how some way the General Assembly would just exonerate that \$90,000,000; that is not going to happen.

This year the General Assembly had an opportunity to meet with the AIC and Senator Bob Meeks several times regarding this situation. The State has put the line in the sand and said 'folks here it is, you owe us, pay us and you better have

a plan in place'. Allen County has always carried and done what we can to assist them. Over the past few years Marion County has not budgeted anything at all to go toward this debt. I had a chance to talk to the President of Marion County Council and they are scratching their heads wondering what the Mayor is doing because they realize they owe this debt.

I commend the Auditor's office for the plan that we have talked about and I think it is time that we move forward with that plan.

Paul Moss stated that he has never shared the enthusiasm that Councilman Miller has for paying off this debt and the primary reason for that is and doesn't believe it is a legitimate debt. He doesn't necessarily know if it is unconstitutional or not but he applauds Indianapolis for moving forward and addressing the issue; whatever their reasoning is whether it is sound or not. He thinks we should set in place an agreement with the State that stipulates, as per legislation, payment of it, but would prefer to pay it after. We will escrow it somehow and certainly hold on to it and pay it as soon as this is addressed and it may take years before it is resolved. With no disrespect to Senator Wyss; he is not really comfortable accepting his word on behalf of the State in terms of use being repaid that money on down the road. He thinks it would be very difficult to extract that money from the State after the fact if the Courts find it is unconstitutional.

Roy Buskirk said that part of the funds we were going to us to pay this comes from the Division of Family and Children Services Child Psyche Fund; if the State withholds that money what happens then to our payment plan.

Tera Klutz stated that they submitted a decrease in that budget, the one we were planning on paying \$800,000 for and we called the DLGF and said that it doesn't say any where that we can't increase it, there is no max levy and we don't want to be absurd but we were hoping to charge what we did last year. The DLGF called the lady at Family and Children and she said she doesn't want Counties to increase this for fear that they will use that money to repay their Boys and Girls School Debt. We said that we thought that was what that money was for.

Paula Hughes said so they increased their overall budget by 28% and at the same time decreased the amount that was allocated for the Children's fund.

Tera Klutz said these are two separate funds; they decreased their budget by to \$1,000,000 versus the \$1.3 it was last year and they are increasing their expenses at the same time; they spent almost \$200,000 and they are anticipating spending \$600,000 in 2006 and they are spending almost \$500,000 this year. My new estimate instead of \$800,000 is going to be \$500,000 that may

roll over at the end of 2005 that maybe we can pay. We are meeting with them next Wednesday and see if they will consider revising their budget. They are afraid that we are going to abuse it.

Cal Miller said that he wanted to continue on Councilman Moss's comment about escrowing the money and waiting until the Marion County issue is resolved. We won't be able to do that because they would take the PTRC and we would have to replace it so we would be consuming that money to keep the county going.

Paul Moss stated he felt this would not be a very wise position for them to take. This would have to be ironed out, this is an agreement that is all it says. Let's work with our Legislators and try to hammer out an agreement, we have good intentions of paying it but there is a huge unknown out there.

Mike Cunegin stated that the one thing that he worked hard on during the General Assembly and they agreed and if this body would choose to go outside the levy one time; to do that. There are 16 counties that are looking at that; I am not saying that we should do this I am just throwing it out there.

Darren Vogt said that we need to come to an agreement and get the agreement to the State with language similar to what the Auditor has already given us and adding a legal clause at the end saying that if the law suit is in our favor we expect restitution and we should be given that with interest. The issue we really need to look at is whether or not they owe us for 50% of the people we have housed here in Allen County. We will delay our payment in 2006 as long as we can but we will still make the payment if we need to.

Darren asked for Council direction on what to do, I am hearing that we need to come up with an agreement, put some strong language in it. I will meet with Mr. Okeson and I will get it back to Council.

Paula Hughes stated that she would stipulate that a part of that payment is the use of \$800,000 which we budgeted on.

Cal Miller said that if the Child Psyche funds become unavailable, what happens then; what do we do.

Paula Hughes said then our payment plan become extended if it is necessary for us to pay.

Cal Miller said that the agreement should read that we would pay X amount of dollars per year not to exceed a certain amount after the 4 years expires if the Child Psyche fund is decreased we would extend the years and pay X number of

dollars not to exceed X number of dollars in any given year so we don't commit ourselves to more than \$4 or 500,000 per year to the extent that the Child Psyche decreases.

Mike Cunegin stated that Council should be careful of putting a dollar amount in the agreement.

Darren Vogt said that Council must keep in mind that our budget appropriation in 2006 and 2007 is \$1.9 and in 2008 is \$1.7.

Much more discussion was held regarding this issue and how much Allen County should pay and when. Darren will call the Budget Director directly and find out what the actual rules are for this agreement. He will also call John Okeson for his legal advice.

Cal Miller stated that the law suit would likely not be resolved at the trial court level for 1 ½ -2 ½ years and if it is appealed to the Indiana Court of Appeals it will be another 6-12 months; then a transfer is sought to the Indiana Supreme Court it will take another 3-6 months to a year before they decide to accept transfer of the Indiana Court of Appeals and then perhaps another year before the Indiana Supreme Court decides. That is the typical progression.

Mike Cunegin stated that this body has worked very hard on this situation with the Auditor's assistance we have a plan in Allen County; they have changed different levels and have not talked to us about the changes. However all they really want is a plan.

Cal Miller stated that maybe at the meeting when Council talks to the Assessors they could be ready to make a motion on this issue. We will get the legal advice from John Okeson and then maybe we will be able to make a motion at that time.

Darren Vogt stated that he is committed to getting in touch with the Budget Director this afternoon; we are up against a time frame and we need some answers to our questions ASAP.

Paula Hughes said that all members should have received a letter from the Commissioners Legislation Liaison asking Council to address three issues that they wish to see addressed at the next Legislative Session. She stated that she would like to call the Council attention to an issue that has been brought up often in Data Board and that is the state regulations regarding document storage. Circuit Court spends over \$5,000 of their budget a year at Iron Mountain on documents that could be scanned and saved electronically were state statute changed to allow that. We are forced to save those records in

paper form; scanning them would be a much better way to store the documents and ultimately a less expensive way to store documents. The Legislators are looking for opportunities to carry legislation that doesn't have a budget impact. This is one of those pieces of legislation that would impact our budget significantly but not the State Budget. It is simply getting all of the State Statute up to date in technology and to move forward.

Roy Buskirk stated that he would like to see new Drainage Tile legislation.

Roy Buskirk made a motion to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council meeting of July 21, 2005. Darren Vogt seconded it. Motion passed 7-0.

There being no further business the meeting was adjourned at 11:59 am on a motion by Cal Miller and seconded by Paul Moss.