

**ALLEN COUNTY COUNCIL  
MEETING MINUTES  
June 15, 2006  
8:30 AM**

The Allen County Council met on Thursday, June 15, 2006 at 8:30 am in the County Council/Commissioners Courtroom. The purpose of the meeting was for additional appropriations and transfer of funds in excess of the current budget. Also, grants and any other business to come before Council.

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

Also Attending: Lisa Blosser, Auditor; Tera Klutz, Chief Deputy Auditor; Jackie Scheuman, Finance Manager; Becky Butler, Administrative Assistant, Commissioner Nelson Peters and Commissioner Marla Irving.

The meeting was called to order at 8:30 am by President Paula Hughes with the Pledge of Allegiance.

**APPROVAL OF MINUTES:**

**Darren Vogt** made a motion to approve the minutes of May 18, 2006. **Roy Buskirk** seconded it. Motion passed 5-0-2 (Cal and Patt absent).

**FINANCIAL REPORT:**

**Lisa Blosser, Auditor:** The amount you have left for appropriation in the County General fund is \$570,968. For your consideration today there are additional appropriations in the amount of \$11,608; this will leave you with a balance of \$559,360 for the remainder of the year.

**Paula Hughes:** Are there any questions about the financial report?  
Councilman Vogt?

**Darren Vogt:** The vehicle license excise tax is only collected at about 24%. Why is that?

**Lisa Blosser:** We get four distributions a year and we get a couple of advances throughout the year but it is not real timely.

**Darren Vogt:** Okay.

**Paula Hughes:** Any other questions?

**Mike Cunegin** made a motion to accept the financial report as presented. **Roy Buskirk** seconded it. The motion has passed 6-0-1 (Cal absent).

**Paula Hughes:** Next, we will move on to the Community Corrections state grant budget. Ms. Hudson?

**Mike Cunegin:** Council members, as Ms. Hudson comes before us this morning, this is the normal budget that we get with the exception of a \$212,000 budget increase. Ms. Hudson will explain that to us this morning.

**Sheila Hudson:** Good morning, I am Sheila Hudson. I am the Director of Allen County Community Corrections. This is the twenty-first year of me coming before Council regarding an annual budget. I am requesting that Council appropriate Fund 234, Fund 235 Transitions, Fund 236 Project Income and the interest earned in the Forensic Diversion which is now a part of 234. In 2005, it was not a part of 234 and it is interest earned that we would like to get. I can begin wherever you would like me to.

**Paula Hughes:** Councilman Buskirk?

**Roy Buskirk:** I think maybe you should mention the fact that you are on a fiscal year and that is the reason that you are coming now. The year runs from July 1 through June 30.

**Sheila Hudson:** The state Community Corrections grant runs from July 1 to June 30 of next year and that is why I am before Council today.

**Paula Hughes:** How many years have we received this grant? What year is this?

**Sheila Hudson:** This is the twenty-first year. There was a time that we weren't sure if the Community Corrections funds were going to continue so this is quite an exceptional feat. The Adult Community Corrections program is almost two million dollars. We also received an additional \$212,000 to be used for whatever we choose. There is going to be some issues with electronic monitoring and global positioning but I will be back to talk to you about that at a later time.

**Paula Hughes:** Councilman Buskirk?

**Roy Buskirk:** I want to thank you for providing us with all of this information before the meeting. I think we have all had the time to look it over and review it. I think you need to toot your horn to the fact that you are one of the leading counties in the state and nation and are able to obtain a lot of outside

grants because of your leadership. Unless you have something additional to say, I make a motion to accept your budget.

**Paula Hughes:** Are you making a motion to accept only item 1?

**Roy Buskirk:** Items one, two and three.

**Mike Cunegin:** I'll second that motion.

**Paula Hughes:** We have a motion and a second, are there any questions?  
Councilman Vogt?

**Darren Vogt:** If you could just briefly, you have done some restructuring in the last six month, and could you hit on that, please? We have some positions that are zeroed out and I want to make sure that you could explain to the full Council what is going on with that.

**Sheila Hudson:** Over the last six months, the controller-human resource person that we had was a combined position but we have separated it out. It is now Personnel Manager or Personnel Director. The Controller, they are both here today, Lisa Cain and Doug Robertson. The Program Director is now before the Temple Group for re-evaluation as a Program Coordinator. I have changed the executive group structure. We have the Personnel and my assistant and the grants administrator and the public relations person. One thing I do fairly well is surround me with people who do their job better than I do and the marketing and PR part of the program is one of them. I can do this job but as far as the website design and going out and speaking and putting Power Points together about what we do, Stan Pflueger, who just came back from Miami at an ICCA conference is the one for this. He put together a presentation on what we are doing on cost benefiting. He does this job much better than I do.

**Darren Vogt:** Great. Thank you.

**Paula Hughes:** Council, any further discussion? All those in favor signify by saying aye. All opposed, same sign. The motion has passed 6-0-1 (Cal absent). We also have Item 4, appropriation in Forensic Diversion.

**Sheila Hudson:** Forensic Diversion, when it first began, it was for the mentally ill. Substance abusers are called mentally ill. It is called a GS4 but in Allen County, we chose to narrow it down to the ones who are truly mentally ill. Over the last four or five years, we have done an admirable job of identifying and combining with working with Park Center on treating and managing people. Earlier on these people would have languished in jail or the

prison system. This money was a separate fund. Now they have combined it with 234, the state fund. This money has been sitting there not appropriated.

**Mike Cunegin:** I would like to move for the operating supplies for the Forensic Diversion of \$2,014.

**Darren Vogt:** Second.

**Paula Hughes:** We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 6-0-1 (Cal absent). Thank you.

**Roy Buskirk:** Wait a minute. We do have a salary ordinance.

**Paula Hughes:** Oh, that's right. We do. It is part of 234 on page 2 of the agenda. The new Case Manager. Do you have the language to that?

**Roy Buskirk:** Yes. I move for the salary ordinance is for a Case Manager which is a PAT III out of Fund 234 with an annual salary of \$35,280.

**Darren Vogt:** Second.

**Paula Hughes:** We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 6-0-1 (Cal absent). We will move along to Economic Development. First on our agenda is the consideration of a resolution approving compliance with a statement of benefits form CF-1 submitted in 2006. Please introduce yourself for the record.

**Ashley Steenman:** I am Ashley Steenman from the Department of Planning Services. As we discussed last month we have the same kind of resolutions for the CF-1's. This is basically the same thing. I handed out a couple of the resolutions to you. There were four companies that I did receive CF-1's from and for the most part, they were in substantial compliance. For the most part, they were submitted before the May 15<sup>th</sup> deadline. A few got lost within the building and went to different departments than what they were supposed to. There are also three other CF-1's that are recorded and somewhere in this building but because this is the first year that personal property is being sent to the Assessor's office and there has been confusion. They were sent reminders saying to send it to the Department of Planning but we didn't get one. They are outside of the forty-five day period to act upon it. I don't know what you would like to do on those. As soon as I can find them, I will have them for you.

**Paula Hughes:** I would say just bring them forward when you find them.

**Ashley Steenman:** Okay. Other than that, there was only one other company that did not file and they will receive the letter and it will be up to you to determine what to do with their abatement.

**Paula Hughes:** Okay. Council any questions? Councilman Cunegin.

**Mike Cunegin:** My question is more about the process. You have contacted the people with reference to the CF-1 and I understand that paperwork gets lost but in the future, could we streamline that a bit using the technology we have. Then you could go to a screen and see it and know that it has been received.

**Ashley Steenman:** That is what we are going to work on. Since this is the first year that the process was changed, we obviously realized that there are some issues and are working to make it more efficient.

**Mike Cunegin:** Okay. Thank you very much.

**Paula Hughes:** You might be able to scan it in and tie it to a parcel in iMap. Council have we accepted a motion?

**Darren Vogt:** So moved on resolution.

**Mike Cunegin:** Second.

**Paula Hughes:** **We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 6-0-1 (Cal absent).** Next is consideration of a resolution approving a Statement of Benefits for B.A. Romines Sheetmetal.

**Ashley Steenman:** B.A. Romines is requesting a statement of benefits for real and personal property. They are located at 11827 Hood St. in Harlan. This is a relatively new company that began in operation in 2005. Their project involves an investment of approximately \$115,000 to construct a steel building and \$226,000 for welding and sheetmetal fabricating equipment. This will create 10 new positions that will pay between \$60,000 and \$75,000. They already have fifteen employees. They are eligible for a five-year abatement and will save \$12,800 over that time. Brent Romines is here to answer any questions.

**Paula Hughes:** Mr. Romines, welcome. Could you identify yourself for the record?

**Brent Romines:** I am Brent Romines, president of B.A. Romines Sheetmetal.

**Paula Hughes:** Council any questions about the application? Councilman Buskirk?

**Roy Buskirk:** I would make one comment and I had talked to Ashley about this but this is one of the cases that they are not participating in the tax abatement fund. They are not contributing that and if they would have, they would have moved into the seven-year abatement and would have enjoyed more of a refund on their taxes. I am not sure if the staff or your accountant filled this out but maybe they weren't aware of the increase going from a five to seven year abatement. Maybe the staff needs to point that out when they receive an application.

**Brent Romines:** My accountant didn't point that out to me otherwise we would have definitely considered that.

**Paula Hughes:** Any other questions? Councilman Vogt?

**Darren Vogt:** You have some big growth numbers. Can you explain how your business has been going and what has been going on with it?

**Brent Romines:** I have been in this business for twenty-four years. I left a large company to start this business and I took about two years planning this. When you start a new business you have long-term goals and obtaining those goals can't be predicted. Our goal was to start out with selling \$500,000 of sheetmetal work in the first year. In the first nine months, we sold about two million. So our goals are happening quicker than I thought and our facility is not big enough to handle this volume of work. The volume of work is all over Indiana but most in the east side of the state. But to facilitate the work, we need a larger facility and the competition is making it so that I need to have better equipment. I have been soliciting sales people on the type of equipment that I am going to need to be able to stay at that market. I pretty much knew what I needed from the other job. Things are happening in the direction I would like them to happen but still when you are coming off the ground, you need as much help as you can get. We have been trying to look at every avenue to get what we need.

**Paula Hughes:** Congratulations.

**Darren Vogt:** Are you going to be taking down any of the existing buildings? I was trying to figure out where your building is going to go.

**Brent Romines:** (pointing to the aerial picture). It is going to take up this whole area here. Actually, there is another large business here and there is a residence next door that we are looking to purchase down the road.

**Darren Vogt:** It is good to see that you are thinking long-term. Best of luck.

**Brent Romines:** Thank you.

**Paula Hughes:** Councilman Cunegin?

**Mike Cunegin:** Mine is more of a comment and it sounds like your experience and planning has gotten you a wonderful organization. The competition level is there and we are going to try to do anything we can to keep you here in Allen County.

**Brent Romines:** Thank you.

**Paula Hughes:** Council I will accept a motion.

**Paul Moss:** Move for approval.

**Roy Buskirk:** Second.

**Paula Hughes:** **We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 6-0-1 (Cal absent).** We now have a request for appropriation in the Lincoln Industrial TIF Fund. Mr. Harrold?

**Scott Harrold:** Good morning, I am Scott Harrold from the Department of Planning Services. Back in 2003, Fort Wayne Pools was bought out and part of the deal was to set up a distribution center next to the manufacturing facility. The problem was that the manufacturing facility was on Sumpter Drive and the distribution center was on Gettysburg. To get product through, they had to drive on Hadley Road and back into the industrial park. Part of the incentive package was to connect Gettysburg and Sumpter to make that easier. The commissioners paid for that out of CEDIT money. Since this is in a TIF district, we are repaying a portion of what we owe them. The cost of the project was \$237,000 and we have \$75,000 free right now so we wanted to get them paid back as much as we could.

**Paula Hughes:** Councilman Vogt?

**Darren Vogt:** So the intention is to pay the full \$237,000 back into the CEDIT?

**Scott Harrold:** Right.

**Paula Hughes:** Council any further questions?

**Darren Vogt:** Make a motion on Item 5 in the amount of \$75,000 in the Lincoln Industrial TIF Fund.

**Patt Kite:** Second.

**Paula Hughes:** We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 6-0-1 (Cal absent). Mr. Royse.

**Mark Royse:** Good morning, Mark Royse, Deputy Director Economic Development. The item before you is a brief discussion of the Shovel Ready program at the state level. This request came at your allocation meeting. In your pack you can see both an application and an executive summary of the economic development component of the Fort Wayne-Allen County Comprehensive Plan. I am not going to go through the application that we just submitted but will go through in general what the expectations are. The first page has to have all of the boxes marked before you can even submit a site. The second key is site ownership/site control. If you look at the industrial sites we have in Allen County, we have a number of sites that are 80% to 90% there but they lack one or more of the infrastructure components at that site. What we intend to do is to program in a number that is specific to Shovel Ready sites from an engineering infrastructure standpoint. The unknown is what we are going to require in respect to infrastructure. The site that was submitted was one point two million dollars. We will be putting a number in to begin that process. We don't want to put too low of a number in or we will be coming back next year for more money. The site ownership/control issue has come to roost. That was one of the keys concerns from the state review. The property that we submitted has just a general brokerage listed on it. This one had a six-month listing and the state wanted a minimum of one year. John Stafford did a study on site ownership and what happens is that we go out and do all of the infrastructure to make the site available, it puts it in a position that the property owner sees it being more valuable and you have no control over what the private owner is going to want for that property. That is not a discussion for today. The staff is working on evaluating the different ways and state law mechanisms regarding site ownership/control. I will be more than happy to answer any questions you may have about the application or the program in general.

**Paula Hughes:** Council, I am excited about the Shovel Ready program because it seems like an obvious process for preparing ground for economic development projects. It is a way to assemble information about sites that are available for companies that want to locate in this area. Any business would want ground that would meet this checklist. What I have proposed and have been working on with Rob Young of the Alliance, Sam Talarico of the City Council, Marla Irving and they have all agreed to serve on a sub-committee to think on a local level. The Shovel Ready program is really a state program and then we submit sites. They are keeping an inventory of ten. But I think we need to see how we can apply this to sites throughout Allen County because it better prepares us to be ready for the opportunity when it comes. The control of property is a key because if we are going to invest public money into developing infrastructure we need to have a formal agreement with the property owner that the land remain available at a reasonable rate. Councilman Buskirk?

**Roy Buskirk:** Where are we at on the Shovel Ready program? Has the site been selected yet?

**Mark Royse:** My understanding is that it could be as early as today as the Indiana Economic Development Corporation meets today. I believe that it is on their agenda. As we have gone through the process, we have gone back and forth. Since this is a Beta test for them as far as the application process, we feel that we have a good and strong application.

**Paula Hughes:** Council any further questions? All right, we just wanted to bring you up to speed as to what the program is so that when appropriation requests are submitted. Thank you, Mr. Royse. Okay, Mr. Samson and Mr. Haffner. We have a presentation from the Regional Marketing Group. And could you introduce yourselves for the record, please?

**Tim Haffner:** Good morning, I am Tim Haffner and currently chair the Northeast Indiana Regional Marketing partnership.

**John Sampson:** I am John Sampson, the interim President and CEO of the Northeast Indiana Regional Marketing partnership.

**Tim Haffner:** We appreciate you having us with you today to talk about what our efforts are. For some history, we have some good news and some bad news. I will get to the bad news first. Over the past several years, the numbers of elected officials, community leaders, business people and professional economic development organizations have recognized the need to look regionally in the way we have attempted to market and attract business. In the old days of worrying about what happened at the city line or the

county line are gone. The problem is that we don't have a structure in place to market northeast Indiana. The importance of the region is reflected in a number of the slides that I will address in a moment. Most economic development professionals focus on arbitrary city and county lines instead of focusing more regionally. Look at page two, first the average annual payroll derived from manufacturing for the nine northeastern Indiana counties we have identified on that chart. You can see the heavy predominance of manufacturing in our region. On page three, you will see the percentage of increase or decrease in employment from 1997 to 2004. While some of the northeast Indiana counties have borne the brunt of that unemployment loss more heavily some have appeared to have succeeded in that timeframe. If you turn to page five, you will see another chart that shows commuting patterns in and out of Allen County.

I would like to point out the way our region is intimately linked. If you are a banker, a lawyer, an accountant or a health care professional, many of your clients, customers or patients will come from within the region. We are intricately and intimately linked in our economic success but have not historically had a function in place to attempt to market our region. We know Allen County is a great place to work and live but that isn't known nationally and we want to change that. John?

**John Sampson:** Thank you. We have more information here than I can cover in this Council session and most of you have heard my presentation before so I am going to give the short version. I am going to start with page six. While we have had some significant successes, we either need to do more or do something different. We are not getting all of the results we are looking for. We are proposing to market the northeast Indiana as a region. We would leverage the assets, solve the commuting patterns and we stand together because no one county can succeed on its own and leave others in the dust. So the proposal to seek new business investment is not on the table today. We are not talking about cutting the pie into thinner pieces. We are talking about making the pie larger. The whole issue here is business investment and the jobs that we are targeting are above the five state Midwest average. We expect to be held accountable for producing those types of results if you chose to invest in the marketing partnership.

Page seven, one of the specific things that the marketing partnership will be doing, as we develop our capabilities and use our resources more efficiently, will be to study other partnerships so that we can add to our list. Specifically, we are going to have a comprehensive plan. We will survey each county, measure their strengths and weaknesses and compile those into a list and see how we can help each other between counties. We would develop the things we want to outreach with. There are things that we do well but we aren't

telling the story. It is about establishing long-term relationships with the businesses likely to leverage the things that we are doing well. Secondly, we are going to have a collaborative planning initiative. We need to have a common brand and we are going to do that work on getting a consensus. We are going to have a world-class web location. Those of you that have been involved in economic development know that most of the site selectors and investors do most of their work looking at your web page. If they don't know what you are about by searching your web page easily, they will look for reasons not to go to your region. This active web page will be one of the first items to target on while we build the comprehensive plan. We are going to do national and international marketing. That will be taking our story and building relationships. It is more about knowing site selectors and getting them to know us. We need to be at the front of their minds for the next time they look to open a business.

On page eight, you will note that we are not planning to replace local ED (economic development) organizations. We think this is a home rule issue and the local ED should be competing for the leads. It will be our job to stock the ponds with the right kind of fish. Counties and local ED organizations will still need to land those fish. We are going to measure things that the marketing partnership does not necessarily control. The marketing partnership will control going on trips, developing relationships and counting doable things. The results you are looking for are things that the county and the marketing partnership can do together in terms of landing leads and opening new business investments. We will work to make the ED more effective. Questions or thoughts?

Page nine, is the region we are seeking to represent. As you can imagine, all of the counties come along at different levels of commitment. Allen County has made an initial commitment but hasn't finalized its investment proposal to us yet. We also have commitments from Wells, Adams, DeKalb and Whitley so far. We have five of nine and are working on presentations to the other four. We have made informal proposals in the green counties (on the chart). Once we demonstrate efficiencies, they will be likely to consider us more seriously. Right now, being on the edge of the region, continually look to see how this plays out. Actually, the map is incomplete because we don't show Michigan or Ohio on this. Those counties would eventually want to be a part of this but we first need to get our own house in order.

Page ten is a list of advantages that you could think of on your own so I am not going to spend a lot of time on this. We will be the marketing arm of the Alliance. Ideally, that will cause Rob Young to be less distracted on out-reach activities and more focused on nurturing existing businesses.

**Mike Cunegin:** This is very exciting, what I have heard thus far but could you go back to page nine? I have a simple question. How have you been received in the other counties?

**John Sampson:** It is interesting. Fairly well. Everybody buys into the concept but as you can imagine, this working across county lines is a new deal. Conceptually, everyone is buying into what we are trying to accomplish here. If you take counties like Steuben or LaGrange, who are early in their development, they are trying to figure out what to do with the money when Major Moves comes about. I feel very comfortable that we are going to get the nine of nine. We also have Grant County that is already establishing relationships with northeast Indiana in terms of their relationship with the Work Force Investment Board. They already have an inclination to partner with us and will come eventually too. A couple of weeks ago we visited Wabash County and they get more respect from northeast Indiana than they do from the region they are assigned to. They are thinking about this as well.

**Tim Haffner:** One additional comment to the reaction of the counties is that the funding methodology is that 80% of the funding is privately funded. We have reduced that down to a county-by-county basis and we have proportionately allocated a public portion based on a per-capita basis. Take Whitley County and their share would be approximately \$13,000 a year. The annual budget of the organization would be approximately a million two each year. So for \$13,000 they would be able to participate in an organization spending a million two in economic development attraction activities. That is something they really don't have the capacity to do right now. Having said that, counties are used to be in competition with each other and some still view the battle between counties as opposed to the battle of attracting national and international investment.

**John Sampson:** The number one question that counties want to know is will there be steering, directing, screening, filtering leads, cherry picking of leads by different counties. This organization is nothing if there isn't transparency and credibility in how we handle leads. The local ED organizations will be designing a process to make sure there is open access to information.

Page eleven is an overview of the strategic plan. This is how we will deploy the dollars. In the interest of time, we will be skipping some of the slides. You can see that we are going to be hitting the domestic and international marketing with better than half the budget. We are going to have to have an advanced set of technologies to manage the data. That information would be available to local ED organizations. They want to see the regional collaboration from a foundation perspective. With that, I am going to skip all

the way to slide nineteen. I promised to present results and measurements before I was done here.

These are the areas that we are going to measure results in. Region job quality is about what types of jobs we're landing. If we are landing jobs at the \$20,000 to \$25,000 a year level, we are not meeting your expectations from the investor standpoint. We will also measure averaging a wage that you would to stop the slide and reverse the increasing gap. Economic diversification is more difficult but this is about broadening our base from the manufacturing base. It is not about doing away with manufacturing. It is about adding the new economy jobs and helping the transformation and getting us prepared for that. You are looking at assessed value and personal income. We believe that the public figures that they should expect to see a return on the investment and we will also do some subjective regional image. Are there any questions on those? This is very important activity there because we don't control those results but we believe that this is why you should be investing in this partnership.

**Paula Hughes:** Councilman Moss?

**Paul Moss:** I guess the question I have been struggling with for a while is how do you identify your direct impact on these measurements? You could look at some of the other economic development activities or organizations and there are some broad statements made in terms of their impact. When you know some of the details and look at them, the claims are a bit nebulous. How you identify your measurements is the tough part. This is a good thing and we should do it and I am particularly pleased with the mix of public and private dollars where it should be. It is a lot of money. A substantial part of your budget is for marketing and that is a broad term and could mean a lot of things.

**John Sampson:** That is a good question. We know that marketing partnership should not be taking the credit for landing the new jobs. You should be aware that 60% to 70% of the new jobs in the future would be grown from existing businesses that are here in Allen County today and across the region. Marketing partnership should not be taking credit for those jobs. That is exactly why the Alliance and other LEDOS (local economic development organizations) need to be focused on nurturing those existing jobs and allowing them to expand and new ways. I know we all want the Honda plant here but real long-term economic development is about ten, twenty, thirty or forty jobs at a clip. That we think we have a foothold on. Where we are missing is in the margin. This marketing deal is a little like investing for retirement. If we want to be getting those marginal jobs, we have to invest now to attract them. LEDOS know best what leads they have gotten as a

result of the marketing partnership activity. If they are not convinced that the marketing partnership is developing leads next year or the year after, they are going to tell you that. I would expect you to ask Rob Young if marketing is delivering. We will count those and we will involve LEDOS in attracting by taking them to conferences. It is our job to fund and participate and organize and strategize what story we position in front of those others.

**Tim Haffner:** There is no question that there is a leap of faith in this. This is a new effort, new to Allen County and new to the region. Trust us. Come back to us in a year or two and you judge us.

The organizational structure is set forth on page twenty of the materials. There is a governing board, an investor board and a LEDOS council. This is comprised of regional economic development professionals who will help design the structure and help on focus of the marketing effort. We will not be all things to all people. Lastly, this isn't a new thought. I would like to take credit for the concept of the regional partnership but it has been done elsewhere. We don't know if we will achieve the same level of success that Indianapolis has but if we achieve half of that, I would argue that this is a phenomenal opportunity. We want our paper graded and this will also grade the paper of the existing LEDOS throughout the region and help them perform better.

**Paul Moss:** So the bottom line is that you are looking at incremental growth. You believe the local Alliance should focus on retention and growth amongst existing employers and you are going to focus on incremental growth. Is that kind of an accurate statement?

**Tim Haffner:** I would slice it a little differently. This is a marketing organization and the Alliance and other organizations like it deal with retention and attraction based on the assets in their jurisdiction. They need to continue to do that. With the business assets in Allen County alone, the Alliance has their hands full in attempting to market and retain. The role of the marketing partnership will be to identify leads nationally and internationally which the Alliance currently doesn't have the assets, resources and ability to focus on. Our mission is consistent. Our job is not to fulfill a lead but to identify a lead.

**Paul Moss:** So does the Alliance have a marketing arm and is there going to be some overlap there? There just seems that there is an awful lot of duplication and I want to make sure that there is not. There has been an effort on the state part for the LEDOS to work together a little bit more.

**Paula Hughes:** I actually have a comment on that. Marketing is an area where duplication is not a bad thing. It strengthens the message. Certainly there is duplication when the state sends an envoy to Japan and there are multiple LEDOS on that trip. They are all a part of the state of Indiana. That is how I view us working together. The marketing partnership goes far beyond what any one county could do on its own. In some ways, this might be more advantageous to the smaller counties. The future of Allen County is so closely tied to the region as a whole.

**Tim Haffner:** You ask a very good question about our coordination with the Alliance. The Alliance has already been working on a marketing plan for the airport. That is very specific asset and we have no intention of treading on their turf. Rob could say that he could be doing a lot of marketing himself with one point two million a year. The point is that we should be doing that work for him. That allows him not to spend additional time marketing when he has 60% to 70% of the new jobs coming from growth and expansion. LaGrange County is developing an industrial park with Michigan. They are in a marketing plan on that.

**Paula Hughes:** Councilman Vogt?

**Darren Vogt:** You went from twenty-one to twenty-three and I am going to twenty-one. What I am interested in is the funding side of this. You have touched on the foundation side but the corporate side is a big thing as well. I see who you have listed as co-chairs and they are strong individuals in the community. I just want to know how that is going and how is it perceived by other businesses?

**John Sampson:** It is going very well. We announced last week that we are at four point two million which is at 62% to 64% of goal right now. That is largely being carried by private investments. Private to public, I don't think we will be challenged at all meeting the four to one dollar investment ratio. No one will be shouldering the burden unduly on public or private investment.

**Paula Hughes:** Councilman Buskirk, did you have a question?

**Roy Buskirk:** I wanted to make a couple of comments. I am in favor of regional economic growth. A lot of people misunderstand that when the region grows, the whole area grows. A lot of the benefit may not be seen very easy. An automotive plant in Van Wert, Ohio would be a tremendous growth factor for the entire region. The economic impact does not stop at the state line. The one thing I am concerned about is setting a job level and it is great to improve the higher job level but we need some entry level jobs also. There

is a direct relationship with employment and crime. In the past we have shunned opportunities to have jobs at a lower level.

**Tim Haffner:** Transportation is one of our key clusters. If you look at page twenty-three on the return on investments, our target will be five thousand jobs at or above that Midwest average. We also know that seven thousand lateral jobs would come with that at varying different levels. This is a regional focus activity. This return on investment is about jobs and dollars that do not exist today. We are talking about 372 million dollars on an annual basis in total earnings if the marketing partnership be successful in its first five years. Two hundred five million dollars in consumer spending and of course, increased bank deposit. That doesn't take care of the investment of building buildings, roads, infrastructure and those kinds of things. This return on investment does not take into account those things. We believe it is a reasonable return on investment and worth the risk.

**Paula Hughes:** Councilman Cunegin and then Moss?

**Mike Cunegin:** Going back to page five. This is an exciting movement when you look at the slides when you look at in to Allen County and out to Allen County. I think this is very exciting. Mr. Young works very hard and we are probably getting our money plus. I look at this as an extension to it. As the market has dramatically changed and we are going global more, we are going to a lot of different areas outside. I think this is an overall exciting thing.

**Paula Hughes:** Councilman Moss?

**Paul Moss:** Do you have a more specific Performa that you have developed for how the money is going to be spent in terms of marketing and operational expenses?

**Tim Haffner:** We do not have those details yet but we do know from other partnerships that we are looking at a range of six to eight people. We have two people from the existing organization known as Indiana Northeast Development that has always been conceptually a regional marketing organization but has been extremely under-funded. They haven't been able to do much more than have a staff and attend an annual conference. I expect over the course of this summer or early fall, we will have a detailed budget supporting how those dollars will be spent. We are going to do some benchmarking against some other marketing partnerships. John Stafford could maybe comment on what he saw last week about Charlotte.

**John Stafford:** John Stafford, Community Research Institute. I have been working on the development of the partnership. Last week, I had the

opportunity to attend the Leadership Summit. I was in one of the breakout sessions with the president of the Charlotte Mutual Partnership. Charlotte is his third regional marketing agency. It was probably one of the most valuable hours of time. He talked a lot about how they have sixteen counties of which four are in South Carolina and twelve in North Carolina. He talked about how you get sixteen counties all moving in the same direction. He has offered to help us go to the next step. The point that Mr. Bryant made was that Charlotte and some of the counties surrounding Charlotte that really don't show up on the globe. Charlotte USA, which is their brand, does. They do marketing in Europe, Southeast Asia and other parts of the world. The long term method is to get the brand recognized.

**Paul Moss:** The last question that I want to ask is that you have names attached to your campaign committee, for lack of a better term, in term of the governance. Do you already have that structure in place with those people plugged in to all of these positions?

**Tim Haffner:** Effective March 15<sup>th</sup>, the initial board was established and we have one year to operate with those people.

**Paul Moss:** That is with nineteen people, correct?

**Tim Haffner:** We actually only positioned fourteen. Half of them from Allen County and half from the surrounding counties and then we have added one from Whitley County and Rob Young from the Alliance which brings us up to sixteen. We have three more to add over the course of the year. Sometime, in the course of that year, when the investment board is fully positioned, they will re-elect the existing board members or nominate new board members. Our by-laws call for balance between Allen County and the surrounding counties in terms of board membership. This will maintain our credibility of the organization within the region.

**Paul Moss:** Is there, in terms of the public dollars, I assume there is a position for that?

**Tim Haffner:** Yes, Commissioner Irving, Commissioner Rethlake, Mayor Norm Yoder and Mayor Ted Ellis from Bluffton are the public members of the existing board.

**Paul Moss:** Thank you and just for the record, I think this is a good idea. These were just questions that I had. This is clearly a good process and I wish you luck in it.

**Paula Hughes:** Councilman Vogt?

**Darren Vogt:** Mr. Stafford, your point of them calling it Charlotte USA, did he indicate how much gruff the surrounding counties gave for naming it that?

**John Stafford:** He didn't say but one of the interesting things Mr. Bryant did say was that the ability to be viewed as totally objective and everyone is treated fairly. As you go into that, you are guilty until proven innocent. I suspect that will be the case here too. It is about building the trust but in the long run, they all recognized that some of them were not of the size and magnitude to be recognized beyond their locale. They have been at it for fifteen years and pretty successful but it takes time. I don't think we have ever come this close to breaking down the barriers from county to county in northeast Indiana. We still have a ways to go but if you would have asked me a year ago would we be at the point we are today, I wouldn't have bet very much on that. That trust is coming.

**Paula Hughes:** Excellent. Thank you so much for your time. We appreciate the presentation. Next we move on to a request for appropriation from the County General Fund from Homeland Security.

**Lori Mayers:** Good morning, I am Lori Mayers, Assistant Director for the Office of Homeland Security. I am requesting \$10,416 for the maintenance agreement because we had a tornado siren damaged in 2004 and we just received the reimbursement from the insurance company.

**Darren Vogt:** So moved on item 6 in the maintenance agreement in the amount of \$10,416.

**Patt Kite:** Second.

**Paula Hughes:** We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 5-0-2 (Cal and Mike absent). All right, moving on to Youth Services Center.

**Chris Dunn:** Chris Dunn with Youth Services Center. We have two items to bring to you today. Item 7 is a correction on a mistake that was made. Payment was issued for our postage meter to the wrong company. The refund was made and the money had to go back into the County General and so we are requesting it again. Item 8 is for office chairs. We are requesting to purchase five office chairs. We went through the Purchasing Department to get the price. We have not purchased office chairs in a long time. We usually go to where the furniture is collected for the auction but they didn't have any that was any better than what we currently have. We have a lot of furniture that has broken down this year because it is second-hand.

**Paula Hughes:** Council questions?

**Patt Kite:** Just a comment. I think you are very resourceful with the second-hand shopping.

**Paula Hughes:** Councilman Buskirk?

**Roy Buskirk:** I would make a motion on this.

**Darren Vogt:** I'll second that.

**Paula Hughes:** We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 5-0-2 (Cal and Mike absent) Okay, request for appropriation in the Technology Fund. Mr. Steenman is that you?

**Bob Lee:** Good morning, Bob Lee, Allen County Treasurer.

**Ed Steenman:** Ed Steenman, Allen County IT Director.

**Bob Lee:** This request is out of the Technology Fund and what I am passing around to you are some updated figures. This is the website that taxpayers can go to in order to see how much their tax bill is and pay with credit card. To date, we have over a million five in taxes collected. We charge a fee so that the tax dollars are not shorted that goes to the units. We have collected over \$38,000 in fees. The actual bank charges when all of the fees are in are \$28,900. This leaves a balance of \$9,652 which was put into the Technology Fund. As we got into this project, we found updates that are needed. Some are requests from the public for more information. We contracted with the people who developed the website to do some upgrades to make this a better site. That price was \$2,520. So what we would like to do is reinvest some of this \$9,000 that we earned and use it to make the site better and then move forward.

**Paula Hughes:** Councilman Moss?

**Paul Moss:** I would hope everybody would agree that making the payment process a little easier is a good thing. I am supportive of this and move for approval.

**Patt Kite:** I will second the motion.

**Paula Hughes:** We have a motion and a second, are there any questions? Councilman Vogt, you have a question?

**Darren Vogt:** I just want to ask Council if we earmarked some money out of this fund during allocations, how much was it? I don't think it was the whole amount.

**Paula Hughes:** It wasn't.

**Darren Vogt:** I just want us to make sure we keep an eye on what we appropriate this year.

**Jackie Scheuman:** I can put that on the bottom of the financial as to how much you earmarked.

**Darren Vogt:** That would be great.

**Paula Hughes:** Any further discussion? Councilman Buskirk?

**Roy Buskirk:** Are we going to get a breakdown as to how much was appropriated to each department?

**Paula Hughes:** That should have been included in packet in your mailbox.

**Roy Buskirk:** I never received it.

**Lisa Blosser:** It was sent as an attachment to the instructions that was emailed to you.

**Tera Klutz:** It may have only gone to the President.

**Darren Vogt:** I think we got it via email.

**Tera Klutz:** It went to all of the departments but we will get it out to you.

**Paula Hughes:** Any further discussion? **Hearing none, all those in favor, signify by saying aye. All those opposed, same sign. The motion has passed 5-0-2 (Cal and Mike absent).** Request for appropriation in the Per Diem Fund.

**Joe Brita:** Good morning, Council. I am Joe Brita from the Allen County Juvenile Center.

**Chandra Reichert:** I am Chandra Reichert Allen County Juvenile Center. We come before you today to request salaries to be appropriated in the Per Diem Fund in the amount of \$39,786. This is a supplement to the juvenile portion of the Community Corrections Grant. This will pick up what the grant does not.

**Paula Hughes:** Council any questions?

**Darren Vogt:** Make a motion for items 10 through 17 in the amount of \$39,786.

**Paul Moss:** Second.

**Paula Hughes:** We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 5-0-2 (Cal and Mike absent).

**Chandra Reichert:** The next request is for an appropriation in the Juvenile Community Corrections Grant Fund.

**Darren Vogt:** I have a question for the Auditor on this. This fund is running in the red? Is this just a timing issue?

**Lisa Blosser:** This is a reimbursement grant.

**Darren Vogt:** I assumed so but wanted to clarify it.

**Paula Hughes:** Any further questions?

**Darren Vogt:** Make a motion on items 18 through 26 in the amount of \$56,325.

**Paul Moss:** Second.

**Paula Hughes:** We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 5-0-2 (Cal and Mike absent). We have a request for transfer in the Department of Health.

**Mindy Waldron:** Good morning. I am Mindy Waldron, Department of Health. We have a transfer request before you that was to be used for pesticides into some more priority needs. I would be happy to go through each of them if you like.

**Paula Hughes:** So West Nile isn't as big of a pressing concern this year?

**Mindy Waldron:** We hope not. In 2002 and 2003, we had asked for some transfers for that need but that hasn't happened. We would like to use these

funds for some of our items that we have needed to purchase. Would you like me to go through each item?

**Paula Hughes:** Council any questions about the request?

**Mindy Waldron:** I would say that the computer equipment has been approved by Data Board.

**Paul Moss:** I would move to approve items 27 through 30 in the amount of \$15,775.

**Roy Buskirk:** Second.

**Paula Hughes:** **We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 6-0-1 (Cal absent).** Wait a minute, we also have a grant.

**Mindy Waldron:** I wanted to say thank you to Lin Wilson because we had a quick turn around on a grant that the state had allotted for us but we had to go through the application process. They told us it had been sitting there for quite some time and needed to be spent by September. Lin completed this within three days, prior to her vacation. Without her, I don't think we would be where we are for this grant. This is coming from Refugee Health Funds and would be used for hand-held translation devices. We have a huge population of Burmese, Laotian, Vietnamese and Spanish that visits our clinics. We would also like to have some on-site health Spanish classes for all of our client staff. This would be throughout the summer. We would like to also have some of our brochures and standard educational materials that we give out in the clinic to be printed. We have problems with getting things returned and having it in their language might help that. We have developed our budget and been preliminarily approved for that.

**Lin Wilson:** The other thing is that they would be able to hire some interpreters. They would be used for face-to-face interviews, getting health assessments done and initial screenings. Refugees come through the Health Department when they first come to Fort Wayne. Catholic Charities makes the referral that they come here to be screened. There is no match required on this grant.

**Paula Hughes:** Excellent. Council any questions?

**Darren Vogt:** Make a motion to approve to apply for the Refugee Health Grant.

**Mike Cunegin:** Second.

**Paula Hughes:** We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 6-0-1 (Cal absent). We have a salary ordinance request for the Director of Work Release.

**Jim Herman:** Good morning. I am Sheriff Jim Herman. This is a part of the reorganization that we talked about two years ago. We were going to eliminate some police positions and some manned positions. This is a position that was formerly filled by a Captain in our department. We civilianized this position and went thorough the COPS Grant to get it approved to reduce our ranks by one. Now that we have that all done we are asking for the salary ordinance. This is a little more than half of what we were paying the Captain. So it is a cost savings for the county. We are asking for the salary of \$43, 297.

**Darren Vogt:** Council, as liaison, we have all had this discussion about the COPS Grant so I make a motion for the salary ordinance for the Director which is a SAM IV for the amount of \$43,297.

**Patt Kite:** I will second that.

**Paula Hughes:** We have a motion and a second, are there any questions? All in favor signify by saying aye. All opposed same sign. The motion has passed 5-0-2 (Cal and Roy absent). Moving on, is Mr. Dumford here? I guess he is on his way.

**Brian Dumford:** Good morning and I apologize for the slight delay.

**Paula Hughes:** Could you introduce yourself for the record, please?

**Brian Dumford:** I am Brian Dumford and the Director of Human Resources. I am here to discuss the job evaluations as was requested during the allocation meetings. I have a presentation so I respectfully request that I get through the whole presentation and I will address questions at the end.

You asked me for my recommendations and ideas and that is what I am here to present. For the job evaluation project, for the 2007 budget year, we need to address the external governmental market inequities. This is demonstrated by the salary survey that was conducted for this project and an analysis of the historical consumer price index. Allen County salaries are approximately eight percent behind comparable governmental unit salaries. I will present a detailed plan to address this in just a few moments.

I feel very strongly that we should not attempt to address the internal equity concerns until the 2008 budget. What I am talking about here is the other half of the project which is the reclassification of jobs based on the updated job descriptions. This is by far the more complicated part of the project that we undertook but traditionally is the less expensive part. Internal equities are usually not as severe as external equities. We need to spend the time for thorough examination of those classifications. We are still less than halfway through that process so I would like to take more time in order to do it correctly.

Elected officials and department heads do care about their employees and have expressed to me their desire to see it done completely and accurately. That is why I believe addressing the external equity concerns this year is in the best interest of the County both from a fiscal standpoint and a human resources perspective.

External equities cause the greatest problem with recruitment and retention. They also cause the greatest expenditures. The longer we wait to discuss this, the further behind we will fall. With this being said, I will make one exception. This entire process was started as a discussion of the executive pay and pay grids. I suggest that we complete the entire analysis of the forty-five positions that are currently classified as EXEC and address any internal equities that we find with those employees.

I would like to share my detailed plan that you have in front of you, for addressing the governmental marketing equities in our current compensation system. If you would, please, turn to slide two. I would like to maintain the current pay step grids. I would take the step two milestones which is currently a six-month timeframe and would like to move it to one year. I would also like to maintain the other step milestones to three, five, ten, fifteen and twenty. We would maintain the salary spread at thirty percent and maintain the percentage increases with each step. Slide three will show in graph form what the pay grids look like.

As you can see on page three, we have a four percent increase after one year, five percent, five percent, five percent and then it goes down to four and four for fifteen and twenty years. On slide four, I would like to award step increases on the anniversary date. We currently make the employees wait until the January following the anniversary. This has been a longtime bone of contention with the employees. We would make it the first full, pay period after the anniversary date instead of splitting a pay period.

This will necessitate some additional costs for the first year to get this running because we will have to fund the 2007 step increases that will go into

effect January and we will need to fund the half step increase as we go to the anniversary awarding.

Page five, while we maintain the current grid and doing the step increases on the anniversary, we would do grid adjustment analysis every three years. Ray Temple says that with the Oliver System, the grids are good for three years. Then another market analysis needs to be done. This would give us no arbitrary percentage increases. You can phase in any changes over the three year period.

Slide number six, I would like to give you some background as to how we got into the internal inequities. Go over the consumer price index, governmental market and a comparison of the current county salaries to that governmental market survey.

Slide seven, the consumer price index is a statistic calculated by the Bureau of Labor and Statistics. What they do is take a cost of a set of durable goods and see what the cost is periodically and that determines a percentage of increase. It is not a true cost of living indicator.

If you turn to page eight, you will see the CPI increase as compared to the county payroll grid increase. I started this analysis with 2001. What this shows is that over the last five years, the consumer price index has risen thirteen percent. Our county salaries, for grid adjustments, have only risen eight percent. That puts us on an average five percent deficit to where the economy has grown. The last big grid adjustment was in 2000.

Page nine verbalizes the graph.

**Paula Hughes:** Councilman Moss?

**Paul Moss:** I have a quick question. So you are saying the CPI increase in 2005 was eleven percent?

**Brian Dumford:** That is cumulative.

**Paul Moss:** This is all cumulative. So from 2002 to 2004 there were no salary increases?

**Brian Dumford:** No grid adjustments. In 2003, we did a \$750 bonus.

**Darren Vogt:** So we are basically four percent behind the market or the CPI.

**Brian Dumford:** We are five percent behind the CPI.

**Paul Moss:** Is it possible to redo this graph and add in all of the other things that have occurred? If I am to understand this, it just shows the grid adjustments, correct? And does it show the arbitrary raises?

**Brian Dumford:** Yes, that is what this is. This shows what Council gives each year.

**Roy Buskirk:** So it is not the grid.

**Paula Hughes:** Yes, when we give a raise, it moves the entire grid up.

**Brian Dumford:** If you look at page nine, the last bullet point is not saying that we are five percent below the private sector market. It is saying that we have not kept up with the growth and economy by five percent.

Slide number ten is governmental market and says that traditionally government does pay less than the private sector. The salary survey that the Temple Group did was comparable and similarly situated governmental units. There was a little bit of private sector influence. We did comparable Indiana counties, eight counties from Ohio and Michigan, the City of Fort Wayne and some private sector data but not a high amount. We are defining the numbers that came through the survey as governmental market. The salary numbers reflect our competition.

**Darren Vogt:** Do we know if the hours were 37.5 or 40?

**Brian Dumford:** The survey was conducted over 40 hour periods. I adjusted the grids to reflect that.

**Roy Buskirk:** So there was no adjustment for seniority?

**Brian Dumford:** The salary survey numbers that we got were average market value numbers. We did adjust for seniority by placing that at a higher point in our grid. This is constantly being adjusted to bring it to where it can be managed. The numbers we got from the survey were not starting salaries.

What I am presenting here is a raise of the Allen County pay levels to governmental market. The numbers that we got are the average of the responses that we got.

**Paula Hughes:** I have a quick question on page twelve. OSS and LTC pay scales. What are those abbreviations?

**Brian Dumford:** If you look at twelve and thirteen, I want to give you quick glance. OSS is Office Support Specialist. That is the new term for the COMOT grid. LTC is Labor, Trades and Crafts. PAT is Professional Administrative and Technological. POLE is Protective Occupation in Law Enforcement. I just wanted to show you how our grids roughly compare to the governmental levels. These two slides are the backup to slide fourteen.

Slide fourteen explains to you by job category percentages that we are below the governmental market. COMOT and POLE are not that far below where the governmental market came in. Where we have the bigger issue is with LTC and PAT. It is going to take us to dig out of those holes. These numbers on average say that Allen County is 8.06 below governmental market.

**Darren Vogt:** One quick clarification of the category levels one, two, three, four and five. Is that the step increases?

**Brian Dumford:** That is not a step increase. Within each job category there are six levels of jobs such as PAT I, PAT II and so forth.

**Darren Vogt:** That's right.

**Brian Dumford:** What I am showing here is the starting salaries of each of those comparing to the governmental salaries. On number sixteen, these are the to-do items. For 2007, we maintain the current classifications for all positions except EXEC. We increase those pay grids by one-third of the average difference over each of the next three years. That would get us up to the governmental market level.

**Paula Hughes:** So we will get up to the governmental market level of 2006 by 2010.

**Brian Dumford:** You are right on track. For positions that are not currently classified on one of the four grids, such as sworn officers and court reporters, I averaged for a raise for those people. I do not want to touch the UPROB grid or salaries at this time. We need more time to examine that.

Slide seventeen, shows the percentage of increase over the next three years.

Slide eighteen, will address that while we are digging out of the hole, the CPI is also increasing. We have got to not fall back into the hole. The CPI has gone out approximately two point five percent each year. So we figured an additional two point five percent of the payroll and the additional increases from the previous life so that in 2010, we should be right about where we need to be. We would only have the regular annual CPI.

Slide number nineteen is the one I am sure you are ready for.

**Darren Vogt:** Already been there.

**Mike Cunegin:** Me too.

**Brian Dumford:** The projected cost of increasing the grids is one point one seven zero million dollars. The projected cost of step increases for 2007 and the partial step increases, FICA, PERF and the additional two point five percent is at one point three. The grand total is roughly three point one million.

If you would please proceed on to slide twenty. This is the exception for SAM and EXEC. There are forty-five positions that are currently classified as EXEC. We need Mr. Temple do complete the entire process for the EXEC this year. We need to put in place the SAM/EXEC grid which has about four or five people. We need to identify all of those fifty jobs. From that, some may drop to a PAT level. By putting these into a grid, we are relieving the process that we are having that they weren't getting anything for longevity. They would also be in the organizational adjustments.

In summary, I believe that we should raise the salaries to comparable governmental market levels. We should award step increases on anniversary dates. This would be a big boost to employees. We will not do arbitrary annual percentage increases. We will do grid adjustments on a salary survey and CPI index. This is a system that we can manage and maintain and we can project and strategically know where our salary dollars are going.

**Paula Hughes:** On page nineteen you say that the projected 2007 cost would hold true or close for 2008 and 2009 in your proposal.

**Brian Dumford:** Yes, those would be additional costs. By 2008, we would be able to address any internal inequity concerns.

**Paula Hughes:** Councilman Vogt and then Cunegin.

**Darren Vogt:** Do you have any idea of the cost of the every three year study?

**Brian Dumford:** I think that is about four or five thousand dollars.

**Darren Vogt:** Then making sure that the category levels one through six, do these governmental market surveys take into account our step increases?

**Brian Dumford:** The category levels one through six can be thought of as a vertical level. The step increases are on a horizontal plane.

**Darren Vogt:** So you benchmarked back to where they should be vertically.

**Brian Dumford:** So when we put a records deputy at OSS III from another county, we put that dollar amount in the OSS III level.

**Darren Vogt:** This equates at looking at longevity and seniority.

**Brian Dumford:** Exactly.

**Paula Hughes:** Councilman Cunegin?

**Mike Cunegin:** Brian, thank you for the work you did here. My question on page ten, when you compared Ohio and Michigan, we know we have been behind for a number of years. We have been strapped by the justice system at seventy percent of the budget. How is Ohio and Michigan dealing with the issues? Is the state picking it up? Is there any way of an outside levy concept?

**Brian Dumford:** I have no data on that.

**Paula Hughes:** Councilman Moss?

**Paul Moss:** On the survey of the governmental market, does that take into consideration benefits?

**Brian Dumford:** It is not a total compensation survey. That could be the next logical step.

**Paul Moss:** You are asking us to take some pretty substantial steps here and I have to ask, are you making a proposal here?

**Brian Dumford:** I am saying this is the proposal. Down the road as we manage the compensation system we need to see how our benefits match up.

**Paul Moss:** Benefits are roughly twenty-five percent of total compensation, so we will say that this is based on seventy percent of the total picture. Would you agree?

**Brian Dumford:** More people are going to looking at total compensation. The county does provide each employee of the total compensation. Traditionally, government benefits stack up better than the private sector benefits.

**Paul Moss:** I am not trying to minimize your efforts here because you clearly have done a lot of work but benefits are a huge amount of money that we are talking about. It is important to note that the data is seventy percent of the total package. It would be interesting to know from these other governmental agencies as to how our turnover rate compares with the other entities. The other question that I have is I believe Ken Lewis' EXEC study has been done long enough that I don't remember the numbers. Of those forty-five positions, do all of those people need to remain in that classification? Can we address that since we have the data and try something separate?

**Brian Dumford:** I do not know the turnover rates of Ohio and Michigan. Talked to the City of Fort Wayne and our turnover is roughly double what theirs is.

**Paul Moss:** I think that can be addressed fairly easily. You are dealing with one that is mostly unionized. And one that is not. That is pretty easy to answer. That is part of the equation.

**Brian Dumford:** Everything you are bringing up is valid. We need to start somewhere and take baby steps. If after we look at some stuff and we need to adjust our grid, we can do that. We are currently in a position that we don't want to get any further behind. We need to reward our employees and bring them up to a comparable level. I am proposing that we carve out the EXECs and look at them. I think we should do it under the Temple Group grids. We can put them in our current system and move forward.

**Paul Moss:** Was any of the EXEC people looked at and identified to be something other than an EXEC classification? And are there other people that maybe should be classified that way?

**Brian Dumford:** In the Ken Lewis study, I don't believe there were five or less that were pulled out of the EXEC category. Our new SAM/EXEC grid runs from one through eight. EXEC runs nine through twelve. We are defining what an EXEC is. Those forty-five will be in the range of the SAM/EXEC and EXEC classifications.

**Paul Moss:** Did any of this incorporate any of the take-home cars?

**Brian Dumford:** No that would be part of the total compensation.

**Paul Moss:** Do you think the proposal addresses the front line folks adequately? I think that has an impact of overall morale.

**Brian Dumford:** I feel the proposal does address that because the front line people have continued to be rewarded. They will continue to be individually through longevity and organizationally through the grid adjustments. There has to be some phase in because of the dollar amount. We are giving them the anniversary date for the step increase which is a big thing. The EXECs need to be looked at because they have not received the same individual rewards based on longevity as the rest of the population.

**Paula Hughes:** Councilman Buskirk?

**Roy Buskirk:** I know I keep bringing this up but we are going out today and saying that we are behind and need to increase the pay based on seventy percent of the information that we need. This is very much a morale issue. One of the main thrust behind having this done was to have similar pay for similar jobs within the county. That should be number one to get that in line.

**Brian Dumford:** Let me respond to your first point. The total compensation project was discussed but it was decided to only look at salaries at this point because the total compensation would have increased the cost. The internal equity portion is not being diminished at all. It is a more detailed project because each job and each employee has to be looked at. The external data was more accessible. The internal equities are not that far off.

**Paula Hughes:** Councilman Vogt?

**Darren Vogt:** I need more information about the eight percent average and where you placed the average into our grid system. You said you went into the five year mark but if you went into a different portion of our grid, that number would be less.

**Brian Dumford:** I believe we put the market value at twenty percent of the spread which is going to be between ten and fifteen years. The earlier one I presented was at five years.

**Paula Hughes:** Councilman Moss?

**Paul Moss:** I recall a meeting a while back with Mr. Temple talking about some of the people being way below the mark and some being way over the mark. I don't believe your proposal addresses that. Are we just going to ignore those that are overpaid or not?

**Brian Dumford:** Looking at those positions is part of the internal equity part of the package.

**Paul Moss:** But if we accept that at face, all of the people will be lifted up. Correct?

**Brian Dumford:** Yes, everyone in the organization will be lifted up.

**Paul Moss:** That is an important question to address.

**Paula Hughes:** Just as a recap, this is a summary of Mr. Temple's work on the external analysis. The internal is the more laborious of the two. This is the recommendation for the external piece which council can consider at our budget hearings in August. Council any further questions? Thank you for your time and information. Is there any other business to come before the council? If not, I accept a motion to waive the second reading of any matter approved today for which it may be deemed necessary for the County Council meeting of June 15, 2006.

**Darren Vogt:** So moved.

**Mike Cunegin:** Second.

**Paula Hughes:** All those in favor, please signify by saying aye. All those opposed, same sign. The motion has passed 6-0-1 (Cal absent).

**Darren Vogt:** Move to adjourn.

**Mike Cunegin:** Second.

**The next meeting will be held on July 20, 2006 at 8:30 am.**

There being no further business the meeting was adjourned at 11:05 am.