

**ALLEN COUNTY COUNCIL
MEETING MINUTES
August 16 & 17, 2006
8:30 AM**

The Allen County Council met on Wednesday, August 16, 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; James M. Ball, 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 Linda Bloom.

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

APPROVAL OF MINUTES:

Roy Buskirk made a motion to approve the minutes of July 20, 2006. **Darren Vogt** seconded it. Motion passed 7-0.

FINANCIAL REPORT:

Lisa Blosser, Auditor: The amount you have left for appropriation in the County General fund is \$547,381. There are no additional appropriations for your consideration from the County General but there is an additional appropriation from the Special COIT Fund 273 in the amount of \$350,000.

Paula Hughes: Thank you. I am looking for a motion to approve the financial report.

Darren Vogt: So moved.

Cal Miller: 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 7-0. We have an economic development statement of benefits.

Ashley Steenman: Good morning, I am Ashley Steenman from the Department of Planning Services. This morning, I come before you to present for consideration a resolution approving a Statement of Benefits for West End Properties. They are located at 7500 W. Jefferson Blvd. in the former Waterfield Mortgage building. This would be a ten year abatement for real property taxes and seven year abatement for personal property. Ben Eisbart and Jennifer Wilson are here to answer any questions.

Ben Eisbart: Good morning, I am Ben Eisbart from OmniSource. We will be able to combine the operations of two locations by moving into this one. It will make us more efficient.

Darren Vogt: I move to approve the Statement of Benefits for West End Properties located at 7500 W. Jefferson Blvd.

Patt Kite: I second it.

Paula Hughes: **We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 6-0-1 (Cal abstained)** Next we have a grant request. Could you come forward and introduce yourself for the record?

Rex McFarren: Good morning, I am Rex McFarren, Director of the CASA Program. I am requesting permission to apply for a CAPTA Grant to be used for enlisting new volunteers for the CASA program. The amount of this grant is \$65,083.

Judge Charles Pratt: I am Judge Pratt and would be happy to answer any questions you may have concerning this CAPTA Grant. We are planning to run this in all forms of media to enlist volunteers for CASA.

Patt Kite: I make a motion to approve the application for the CAPTA Grant to be made by CASA.

Darren Vogt: Second.

Paula Hughes: **We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0.** Thank you. Next we have up for discussion purchase of the Sheriff's building at 4813 New Haven Ave. While we are waiting for the Commissioners, we will discuss the general information at the bottom of the agenda. As a point of information, Indiana Policy Review Foundation as an article on government consolidation under the IPR Journal at www.inpolicy.org that is just general information for our audience.

Nelson Peters: My apologies for being late. You are just too efficient this morning. Nelson Peters, County Commissioner, here to present another option and hopefully the one for the Sheriff's headquarters and that is a building at New Haven Ave. There have been some discussions with many options, some of which range from building a new building on the grounds of the Kidder Building at a cost between 3.9 and 4.2 million dollars. A couple of other options were at Merchant St. at a total cost of 2.88 million dollars. One at the North American Van Lines complex that Sweetwater Sound ultimately went into at a cost of 3.4 million dollars and also provided two co-location potentials alternatives. These numbers are not as hard as I would like them to be but for the purpose of discussion, I would prefer not to name the specific locations now because I don't know how public they have become from the realtor's perspective. They are options that were laid out during space study deliberations with the City. The first option provides 82,000 square feet. The sheriff needs about 21,000 square feet. What we did was to take a percentage of the 82,000, for the 21,000, and came up with 26%. The cost for purchasing was about four million and the potential cost for rehabilitation was about ten million dollars. If you take the 26% the sheriff needs, the cost came out to about three point five million dollars. The second alternative, using the same formula, came out to 1.472 million dollars. There are a couple of things to mention. The alternative today is 1.6 million dollars versus the 1.472 million. The 1.472 million dollar possibility has not taken into account parking, room for the dogs, evidence room and some of the other things that would have to occur for the sheriff's needs. Bringing us to the New Haven Avenue site, the purchase price is \$336,000. To get the sheriff what he needs takes us to 1.6 million. I think it can be said that there might be other more cost effective short term solutions. I don't know what they are and have been looking at this for about a year and a half. What I can tell you is that there are more expensive long term solutions. It may not be the best short term solution but it is definitely the best long term solution depending on how you want to look at this. What we would like to do is purchase the building and begin to rehabilitate it but keep the door open for additional discussions for co-locating or other ideas that may come up.

Paula Hughes: Is the total for the New Haven Avenue option including the space for the dogs, the evidence room and all the things that are missing in the co-location?

Nelson Peters: I believe it includes everything except for the shooting range. We have looked at reopening the one on the Lima Road site but legal counsel has suggested that it might not be the wisest thing to do with the neighborhoods that are building up around there. That renders that site in almost the same as the New Haven Avenue site.

Paula Hughes: Councilman Miller?

Cal Miller: Commissioner Peters, in looking at the numbers and hearing you say that the co-location discussion can remain on the table if the county purchases the building. I struggle a little with that conclusion when you look at the cost of the building, short term remodel and the ADA compliance totaling almost \$950,000. The county will have invested a million dollars and at a later point in time, if co-location becomes available, we will have already invested 75% of what it would cost to get into the co-location building. I view this decision as one that signs the death knell for co-location possibilities. I am concerned about that because initially the New Haven building was touted as costing \$336,000 and \$100,000 to make it habitable. I think we are boxing ourselves out of co-location if we do that. I wonder how realistic you think the co-location discussions will be if the county makes a million dollar investment on a short term solution.

Nelson Peters: As I said, this is probably not the best short term solution but it is by far the best long term solution. I think we would be remiss in not keeping the door open for discussion but I agree it would have to be a pretty good deal for us to move forward on that basis.

Cal Miller: Just a follow-up question, I understand the formula you used for the county's portion of co-location but has that concept been embraced with the City as a sound way to apportion the cost of co-location?

Nelson Peters: I can tell you at least with option number two the suggestion has been that the county's contribution should be closer to half.

Cal Miller: Another question, on the other short term solutions, have there been others kicked around such as renting space to get the people out of the Kidder Building?

Nelson Peters: We have looked at a couple of other options. One of which included a building on W. Main Street that we sold a couple of years ago.

Paula Hughes: Councilman Vogt?

Darren Vogt: Let's go back to the percentage concept and that the City thinks it should be more about half. Is that because they want us to locate more of our offices in their facility?

Nelson Peters: That is correct.

Darren Vogt: I think, Councilman Miller, to your point of the one specific location that we are referring to is moving a lot more of our operations outside of this. So from that location's cohabitation, I don't see that as being realistic. They are going to ask us to incur an expense that I don't see funding as a Council.

Paula Hughes: I think the presumption of the 12% is maybe more sound than you think. The conversations I have had with the City, this was part of the larger space study project. The presumption was that the City and County would jointly purchase this building and make the remodeling changes to it. It was not considered in the vacuum of the Sheriff's department.

Darren Vogt: But I think you have to take it in the overall concept of spending another five or six million dollars on a facility that I don't believe we need.

Paula Hughes: That wouldn't necessarily follow. The City has not said that the County would not have to partner fifty-fifty.

Darren Vogt: No but they are wanting us to move a percent to make that facility work. We have to have more of a cooperation of the financial side than just the 12%.

Paula Hughes: I don't think it was the City wanting that. I think it was part of the whole conversation. I don't think it was the driving force.

Darren Vogt: I will agree with that. But we have to spend more money to move into the facility.

Paula Hughes: I don't think your logic is sound on that. Because of the discussion of the sheriff's building, I think there is a real possibility that the county could contribute just the 12% if all we do is just co-locate the police departments.

Nelson Peters: Let me say this if I might. Initial discussions have included moving more than just the sheriff's department. So to Councilman Vogt's point, they have included moving other operations which would increase the amount we would be paying.

Paula Hughes: But that is another decision. Whether the county moves other departments is an entirely different conversation. You are trying to tie them together and from my conversations with City officials, they are not tied that strongly.

Darren Vogt: From a financial decision, they are tied together. You are asking us whether we put 1.64 million into one facility or this is our sheriff's facility and we are going to have to spend more money to make it work. If we don't spend more with the building with the City, we may have to spend more to make it functional.

Paula Hughes: I don't think we know the answer to that. My conversations have been that they might. The County hasn't had that level of conversation that says if we only co-locate 12% into the police department and only have 12% of the expense is the project still a go. That has never been discussed.

Darren Vogt: But, Councilman Hughes, Mr. Peters just said as part of their discussion, they have talked about moving more of our facilities over there.

Nelson Peters: There has been no ultimatum.

Paula Hughes: I think you are making it more black and white than it needs to be. I follow Councilman Miller's concern that we are making a long term decision if we vote to move into the New Haven Avenue building. Councilman Moss?

Paul Moss: I think if you look at this intuitively in terms of co-locating the sheriff's department and the police department there are a significant number of dominoes that need to fall. If you look at it objectively, you are looking years down the road. Investing the 1.6 million in this building, let's assume that three to five years down the road, everybody agrees that blue and brown uniforms can mingle together in the same building. If we would decide to move forward, we would still have a good asset in that building and you could do the math and see what they would have paid for a lease for the three to five years or whatever the number is. Given the amount of time that we have been talking about this and given the fact that the co-locating is certainly not going to happen this year or next year, I think this is as good a situation that we can find ourselves in considering the price, location and value of that property. This will only increase with time especially with the Maplecrest Road extension. I think it is as good a location as we are going to find so I am certainly comfortable going forward.

Paula Hughes: Councilman Buskirk?

Roy Buskirk: I agree with you a lot on this. There is a lot of logic on what Councilman Moss just said. You don't take the bottom figure on the remodeling and say that we will lose that amount if we do work with the City and go to another location. We still have an asset that will be marketable or we could have another use for. It is not as if the total amount is wasted. We

have gotten ourselves into a terrible position that we need to move forward and get something now. It is a shame that the Sheriff's department has had to stay in that building as long as they have. I agree with Commissioner Peters in that we have looked at a lot of different situations and this is the best solution. I support going ahead.

Paula Hughes: Councilman Kite?

Patt Kite: I concur with Commissioner Peters that we should keep an open door for co-location but I think it has been a stumbling block the whole way along this discussion for as long as I have been a part of this council. I think it is time to quit stumbling. Sheriff Herman has jumped through every hoop that the Council has asked him to do. He has come up with every option and brought plans and we are at crunch time now. Co-location sounds like a good idea but I am skeptical that it would end up costing us only that. The City will be looking for other people to occupy that space and it would end up costing the County more money. To do a short term fix is a band aid and we have done enough band aids for the Sheriff's department. I agree with Councilman Moss that we have an asset there and I am in favor of the New Haven Avenue location.

Paula Hughes: Councilman Miller?

Cal Miller: There is so much that I agree with in what Councilwoman Kite said and the rest of the folks. The one thread that hasn't been spoken of is that by this Council going forward and approving the purchase of this building is losing its direct involvement saying that the influence and pressure it can assert to promote more efficient government. We are padding the baton, so to speak, and the only voice we will have is an indirect voice. What is so frustrating about this process is that when you say Sheriff Herman has jumped through the hoops, I have not seen him once embrace this co-location idea and sit down with Rusty York to see if this can be done. That has been absent completely. There has never been an endorsement from the Sheriff to do that. When the Council makes this decision, they need to realize that they are giving up their direct involvement. Once this building has the money invested in it, there is nothing stopping the Sheriff and the County from being entrenched and turning their head from the whole concept. The analysis by Councilmen Moss and Buskirk makes a lot of sense. But I am still conflicted.

Paula Hughes: Commissioner Peters?

Nelson Peters: Let me see if I can moderate some of that confliction. As many of you know. I have been a proponent of co-location. For a lot of reasons, it

does make sense. I can assure you as we begin and continue to uncover and develop those efficiencies, I will try to carry your voice as I continue to believe we are here to do what is best for the community.

Paula Hughes: Councilman Moss?

Paul Moss: Is there anyone in this room that believes that if you co-locate the police and the sheriff's departments that the cost for the sheriff is not going to go up dramatically with the co-mingling with other employees that are doing essentially the same work that are in a unionized environment?

Nelson Peters: I think that argument has been laid out in this building. Has the cost of doing business in the City-County Building increased because county employees cohabitate with city employees? I don't know that it is the truth.

Paul Moss: This is a little different. These are two entities that are very similar in terms of the job functions so that makes it a little different than your analogy. One of my concerns about co-locating is that it makes sense to have our Homeland Security and Public Safety in the same building. We need to look long term in regards to the potential impact on cost.

Paula Hughes: Council, any further discussion?

Darren Vogt: I will make a motion.

James Ball: Second

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. And if you could clarify your motion please.

Darren Vogt: The motion would be to purchase the building at 4813 New Haven Avenue.

James Ball: That is my second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 6-1 (Cal). Now for the appropriation out of COIT.

Darren Vogt: The appropriation out of COIT Flood Control. I think we need to have some conversation about the rest of the funding. Commissioner Peters, if you could elaborate on that.

Nelson Peters: There is about 1.8 million dollars in COIT Flood Control. What I would ask is to have paid \$800,000 out of COIT Flood Control, \$300,000 from the Sheriff recognizing that he is probably going to have to come back to you later this year or next year for cars because we no longer have that in CUM CAP. And I would ask for \$500,000 from the General Fund. The reason being is that if you begin to see where some of that COIT Flood money ought to go. We currently contracted for 70 out of 450 curb replacements with ramps. We will have to come up with the dollars for the other 380 pursuant to the ADA inspections that we have until 2008 to complete. We have \$58,000 worth of fixes confronting us at Byron with respect to ADA. We would like to be able to finish the Silverado Boulevard. We took \$700,000 out of the Zubrick Road project which would have allowed us to extend water to the west. As Bill Hartman could explain, we still need 1.5 million dollars to fund the 20% match for the projects we have on the books. As you can see, there is need for those dollars. If it is your desire to spend the dollars out of COIT Flood then you can expect us to come back to this body to help take care of the projects that have to be taken care of in the next two years.

Darren Vogt: Probably the best place for this conversation would be at the budget hearings. We can then talk about the long term plan. At this point, I make a motion to fund the sheriff's building \$350,000 out of the COIT Flood Fund 273.

Roy Buskirk: I think we need to have further discussion on that.

Paul Moss: I will second the motion.

Paula Hughes: **We have a motion and a second, is there any further discussion?** Councilman Buskirk?

Roy Buskirk: All of it involves the items that need funding for and I think there are several items that the Commissioners need to start looking at and cutting costs and moves to be able to cover some of these projects.

Paula Hughes: That is more appropriate for the budget time. I guess in my mind, we have approved the purchase of the building and it goes hand in hand approving the funds to make that purchase. I am not sure why the request amount is higher than the purchase price.

Tera Klutz: We did the \$350,000 to advertise in case there were any changes.

Paula Hughes: Okay. Actually, with pro-ration of taxes from the seller you probably won't even have to put that much on the table.

Nelson Peters: We could actually argue that 1.2 million dollars has already been appropriated. We wondered why we had to come for an appropriation because the 1.2 million dollars had previously been appropriated for voting machines. My thought is that the dollars had already been appropriated.

Cal Miller: How does that....?

Nelson Peters: There was 1.2 million dollars that was appropriated as a hedge against the voting machines and I don't remember if that was done this year or last year.

Cal Miller: I don't understand the connection.

Roy Buskirk: I think that is part of the problem that we have here is that funds have been appropriated for different items and they keep getting moved. And they are spent on different items. I thought there were a lot more funds available from the Commissioners' side for acquiring this.

Nelson Peters: Let me try to clarify that. I am sure Ms. Klutz will straighten me out. When the Election Board came to us and then to you for purchase of the voting machines from the HAVA grant, we were required to put up but not necessarily expend 1.2 million dollars. Those dollars actually came from the state or federal government to buy those machines. We never had to expend those 1.2 million dollars. We thought that since those dollars were already appropriated that it was those funds that we could take the \$336,000 from. They had been appropriated from the COIT Flood Control because they were the only available funds that we had.

Paula Hughes: So that is a current appropriation within the COIT Flood Control?

Tera Klutz: Correct but it was important for the Commissioners to get the money appropriated for the specific purpose. They were talking about canceling that purchase order and having an open appropriation of 1.2 million dollars which speaks to Roy's point which is what they are trying to get away from. You set the priorities for the County and you need to know what the money is being spent on. That is why the suggestion was made to come here and get it appropriated.

Nelson Peters: And I don't have a problem with that.

Cal Miller: And I would be in agreement to not putting that into a blank purchase order. How can that be done?

Paula Hughes: It is done every day.

Cal Miller: So if the dollars are appropriated as an earmark to facilitate a HAVA grant that appropriation can be cancelled and those dollars made available?

Paula Hughes: Yes, for transfer within the same series. The Council could indicate their preference with those funds that they continue to be earmarked for voting machines considering that we had a lengthy presentation last month about the need for increased voting machines. Councilman Vogt?

Darren Vogt: One thing that addresses the issue in general is we may want to consider the transferring of large funds to any purchase order that is cancelled, not paid or set aside would have to come back to us. I don't know if we can even do that but we could look into it. Then we would have better control and knowledge of where the funds are going.

Cal Miller: Particularly in this case where the dollars were never intended to be spent for the voting machines. This was just something to satisfy the HAVA grant.

Paula Hughes: That is not unusual. We have had that with economic development projects, bond payments and CREDIT.

Cal Miller: I agree but if that was the intended purpose of the funds, I wouldn't want them given up for free reign without further analysis and prioritization.

Paula Hughes: We are talking about issues that really touch on the bigger budget. We have a big block of time to discuss this with the commissioners. With this issue, **we have a motion and a second, all those in favor signify by saying aye. All opposed same sign. The motion has passed 5-2 (Roy & Cal).** We need approval to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council meeting of August 16, 2006.

Darren Vogt: So moved.

James Ball: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0. Okay, we will now open the formal budget hearings for 2007. We will start with a budget overview from our Auditor Lisa Blosser.

Lisa Blosser: I have prepared for you a packet of information that was handed out earlier. The estimated 2007 total revenue for the County General fund is \$82,201,803. We have five departments that are appealing their allocations. I am including all of the township assessors and county assessor as one department. The total for all of the appeals is \$1,922,995. During the pre-allocation meetings, we had some amounts that were earmarked for the 2007 General Fund budget. Those were for the reclassification project and appeals for \$2,044,093. We had capital expenditures of one million and a stormwater compliance of \$563,000. Outside the General Fund, the 2007 Other Fund budgets, it is \$97,423,074. We also have included in your packet of information an Other Funds analysis for all of the departments which are appealing their budget allocations. There is a budget allocation summary and other analysis' that may make your work a little easier.

Paula Hughes: Thank you. We have had a bit of miscommunication. The Family and Children's Fund was on the agenda for tomorrow morning at 8:30 but apparently they are here today and would like to have a discussion with the council. We will ask Ms. Savieo to join us.

Michelle Savieo: Good morning, my name is Michelle Savieo and I am the Director of the Allen County Department of Child Services. I think there may be some confusion. We will be coming tomorrow to talk about our budget but today I wanted to come and talk to you today was to present our Early Intervention Plan to you. The purpose of the Early Intervention Plan is to reduce or avoid out of home placement for children who are in need of services or are at risk. It utilizes community based services to either reduce placement rates or to at least maintain them at the current level. We have met to discuss some goals we can work on to accomplish this plan. We believe we can maintain or reduce out of home placements by developing alternative plans that would allow children to return to their community safely. The group wanted to develop an annual evaluation for all community based providers and residential facilities.

Cal Miller: I need to interrupt for just a moment. Before we go any further, I am at a loss as to what the Council's involvement is in this. I would like to know up front while I'm considering what you are saying so the wheels are turning.

Paula Hughes: We are struggling as well. Apparently Councilman Cunegin served on the intervention team but did so in an unofficial capacity. It was not a Council appointment. But the Children Services didn't understand it was an unofficial appointment.

Michelle Savieo: I am just looking for approval of the plan. Legislation dictates that a member of the county's fiscal body or designee participates and/or approves the Early Intervention Plan. Last week, I met with Councilman Ball and we went over the plan and we decided that I really needed to present it to the Council.

Cal Miller: Okay. Now I understand what the end goal is for you.

Michelle Savieo: The end goal is getting approval of this plan.

Cal Miller: Another comment I would like to make is that we have been getting inundated last night and today with some pretty heady material.

Paula Hughes: I think this is due to the transition from Councilman Cunegin to Councilman Ball. We just had some miscommunication. It wasn't on the agenda and I forgot to do this during the general session. We are going to have to look at this because I am not certain of the legislation you are referring to in the appointment process. It has not been a part of the record on the county end and I don't know when it was passed.

Michelle Savieo: Would you like me to send you a copy of that?

Paula Hughes: Actually, if you could send it to the Auditor's office because we typically have a formal process that we go through. Somehow this sidestepped that formal process.

Michelle Savieo: I had spoken with Mr. Cunegin before he left and he said he would be a participant on our team but everything happened so quickly.

Paula Hughes: Okay. Let's move on with this.

Michelle Savieo: We also want to use a 4E waiver for reimbursement for the services we provide. One of my goals is to offer more concrete services to the families in order to keep the children in their homes. One of the ways is to help them out with a deposit or a month's rent. We can get federal reimbursement for doing that. We would provide and expedite permanency plans for long term placement such as adoption and change of custody when we realize placement in their own home is not a possibility. And lastly, to support development of services that utilize family group petition making

and emancipation conferencing to transition children out of care. That really allows the family or support system or the child to have a say in their future. By having the Early Intervention Plan, it allows us to use Child Welfare Funds and Preservation Funds to meet these goals. So I would just request that the plan be approved.

Paula Hughes: As I am looking through this, it appears that this plan is really an outline of the web of support services for Early Intervention. It is a well organized effort.

Michelle Savieo: Just so you know, this plan will be done on an annual basis.

James Ball: Michelle, hasn't there been significant move this year to go to a pro-active plan versus the reactive plan that you have been working under?

Michelle Savieo: Definitely. The state is working on doing more prevention with the development of the program called Community Partners. When there are cases where nothing is substantiated, our office will no longer get involved. We will refer them to agencies within the community. Our office is to work specifically with children and families that are involved in abuse and neglect.

Paula Hughes: Councilman Vogt?

Darren Vogt: I guess that as I am looking at this, there is no fiscal impact and I am trying to figure out how this new plan is going to be fiscally different than the way it was done before? Are you attempting to use the same funds? I struggle to approve this separate from your budget. I need to digest the two of them together if we are going to make this a group effort.

Paula Hughes: Their budget is one leg of many. Correct?

Michelle Savieo: Yes it is. This plan will allow us to utilize our Child Welfare dollars as well as the Family Preservation dollars. Both of those are included in our budget. There is no fiscal impact towards this other than this allows us to provide these services and the services identified in here for families. It also allows for reimbursement of those services.

Darren Vogt: But if you are changing to a pro-active type of environment, is that going to increase your spending or are you going to decrease the spending somewhere else? That is what I am looking at because you are a sizable budget.

Michelle Savieo: I expect it will increase our spending up front however, we should see a decrease in placement costs.

Darren Vogt: And how is that?

Michelle Savieo: We will be able to keep children in their own home. We won't have to pay the per diem which ranges between \$25 and \$300.

Darren Vogt: That is what I am looking for. So your preventative is to try to keep them in the home so we don't have the placement.

Michelle Savieo: Correct.

James Ball: And the state requires you to file this before they will reimburse you the money, right?

Michelle Savieo: Right. The state requires us to file this to utilize the services through Child Welfare and Family Preservation.

Darren Vogt: Council, I will make it clear that I have not read this and am not going to support it until I have had a chance to read it.

Cal Miller: Is there any detriment to making a motion on this tomorrow?

Paula Hughes: Since we are in the budget session anyway, we can take this up tomorrow when we review the budget for Child Services. Next is Mr. Dumford.

Brian Dumford: I would like to do a PowerPoint presentation. There are paper copies on your desk for you. Good morning Council members. Thank you for having me. I want to update you on the job evaluation project. I want to give this to you to go along with the budget hearings and keep this in mind that this is one of the initiatives you want to look at for the 2007 budget. What we will hear about in this presentation is the status of the job evaluation project, a newly drafted compensation policy which explains how each different type of position in the county will be paid with a new pay increase structure. This will be taking the current pay grids and creating a new structure. We will discuss an implementation proposal as to how we want to phase this in. There are also cost estimates and what the next step is in the project. I am giving you this information to digest and we can discuss it tomorrow afternoon as you are wrapping up the final touches of the budget process. I was working until 5:00 yesterday with Tera Klutz and Lisa Blosser to get the numbers to make a good proposal. I did try to email it and

apologize if you did not get it. If there are any questions as we go along, please feel free to ask.

The job evaluation project and where we stand is that job classifications that Mr. Temple has done, based on the Job Analysis Questionnaires (JAQ), are being distributed right now to the departments. As they come in and I review them, I send them to department heads and elected officials for their review. They are then able to ask questions and make sure that the classifications are appropriate for the department and the structure.

We are also in the process of the compensation policy and administration procedures being finalized. The comp policy will be discussed in detail. We are putting the finishing touches on things like the functioning of the Personnel Committee and some of the administrative things that we need to do to continue working the compensation program.

The classification reports that are being prepared and then sent to the departments are being reviewed by me. Mr. Temple and I have made ourselves available by email and phone to discuss the classifications. Mr. Temple is planning on being in northeast Indiana the last week of August. He is committed to spending as many days as we need him here.

This is the compensation policy and I will be going through the details today. This is based on a governmental market survey to see how Allen County wages compared to other similar sized governmental units around the Midwest. We looked at that in order to develop the new pay structures. The plan is to conduct a full survey at a minimum of every three years. This would make sure that all of the benchmarked positions are placed where they should be based on changes in the marketplace and with other governmental units. In Personnel Committee, we have discussed if there are individual situations where there is a specific job or classification that we are having trouble filling, we can look at those positions on an on-going basis.

Darren Vogt: Do you remember what the cost of the three year survey is going to be?

Brian Dumford: Mr. Temple had said about \$4,000. The development has already gone into it. We have the list of counties to do the survey. It is not a large process to keep that up.

At this point, Brian went into the PowerPoint portion of his discussion about the new pay structure. This is included at the end of these minutes.

Paula Hughes: Okay, we are still in session.

Brian Dumford: On the spreadsheet that you have in front of you, I tried to break down the cost of implementing Phase One in 2007. Move from left to right, you will see the grid and the number of employees affected by this analysis. Percentage increase structure, this column is the graph that was up with the pink and blue lines.

Darren Vogt: You thought behind as a recruiter was that front loading it helps retain employees. You show them that they are going to be bumped up faster in pay than in the later years that would help eliminate some of that.

Brian Dumford: The overall turnover average is quite stable. We lose more people between years three and five than we do after that.

Paula Hughes: Council, one comment that I was going to make is that from the Personnel Committee, the discussion was that by implementing this with the annual step, Council is no longer making an annual decision to fund pay increases.

Cal Miller: Certainly, that would help from a budgeting standpoint to know that. What is missing for me is what is this going to cost the taxpayers over a ten or fifteen year time period? Without that information, I don't know how we can adopt that.

Paula Hughes: That is pretty difficult to predict. For every one percent of increase we have about a \$400,000 cost. So we could say if we gave everyone a two percent increase, it would be about \$800,000. But with this system, you have to look at the full grid because you have people at every stage.

Brian Dumford: Projecting it out like that, one of the parts of having the annual increase built into the grid and we are insuring that people progress in their salary every year. Every third year, we study it again.

Cal Miller: Where I am concerned is looking at the years down the road. I am in favor of having a more uniform system that doesn't have us guessing as to whether we are or aren't at an acceptable level with the market. Where will we pare down in the future years?

Darren Vogt: To look at that, we are taking out the step increases that we already fund.

Cal Miller: But we need that number.

Paula Hughes: I agree that we would need that number but I don't know how we will get it.

Roy Buskirk: Brian, you ought to be able to come up with a range and I think that is what they are looking for. We have nothing to show why we have turnover and that needs to be gathered.

Brian Dumford: Turnover is just one part of the equation. When we get to looking at the cost of implementation, we are looking at phasing some of those PAT's up in a three-year phase.

Cal Miller: We have no idea what we are getting into. This number will get bigger every year.

Paula Hughes: Is that something you could do for tomorrow?

Brian Dumford: Yes.

Paula Hughes: Intuitively, it should be close to the number we are budgeting every year for step increases.

Cal Miller: Can you work with the Auditor's office to get the numbers so that we can wrestle with the information?

Brian Dumford: I will run that for tomorrow.

Paul Moss: Looking at the 1.7, if we implement this, it is your belief that the county employees will be in line with the market. Is that right?

Brian Dumford: Close. From left to right, we have the grid structure. The percent minimums increase is the phase in to get them closer to the market.

Paula Hughes: The Council needs to have a discussion about things like the LTC grid which we acknowledge that the compared salaries weren't annualized.

Brian Dumford: We were only looking at governmental agencies and they don't lay-off in the winter time. To go much further on this discussion will happen after I go through those numbers for you.

Darren Vogt: I am willing to spend time this afternoon or when we break for lunch to look at some numbers.

Paula Hughes: At this time, we will take a ten minute break.

Paula Hughes: Now we will hear from Mike Talbot from the Allen County Cooperative Extension.

Mike Talbot: I would like to begin by clarifying and apologizing for a misstatement during the allocation hearings. The question was raised about the \$5,000 increase for the contractual line item as to whether it was a mandate or not. Technically it is not a mandate, per se. You do have a choice as County Council members as to if you would want to fund the staff at that level. We are not going to say that the Extension Office is going to go away if we don't get it. The level that we are currently funded is at \$124,770. That is the line item to put into the university funds from this county for five educators working in our office. We are asking for the \$5,000 increase which is a formula adjustment. The funds that you contribute, is put into a pool of funds that also comes from the other 91 counties and the state legislature. In 2002, the legislature reduced that funding by seven percent. In 2003/2004, the state extension service put in a contingency plan that said because of the seven percent reduction, we are going to freeze positions and they had a staff buy-out. As other vacancies occurred in other counties, they were asked to contribute above their normal allotment an additional \$5,000. Twenty-nine counties took advantage of that by filling the position and contributing the \$5,000. The director said at this point in time, we need to get everyone else on the same playing field. That is where the \$5,000 adjustment is being made. This does not mean that we are each going to get a \$1,000 increase. It goes into the pool of money that is used to pay for staff, benefits and our review as educators is done is based upon input from the extension board, on program evaluations and input from the district and program directors. It is also noted that in comparison to other counties, Allen County is paying 34% of the salaries for our five staff. The state is picking up 66%. The other counties kick in 39% so you are getting by with 5% less. If it is not appropriated, the extension board and staff will have to go back and see if there are adjustments to the programs or to the staffing that we need. Sheila Hamilton had some comments that she would like to make.

Sheila Hamilton: I have two foundations of experience with which to compare what Allen County and the Purdue Extension provides. You are getting a big bang for your buck. The staff is there. We offer more programs than a lot of larger cities offer. The operation is run on a lean and mean basis. I think the five thousand is warranted to continue to maintain what we are doing. The other experience I would like to offer is that in the old days, the extension was agriculture based and everyone who participated was Caucasian. Today, nationwide, all of the extension programs have tried to form linkages in urban areas and in the city. The City is receiving programs where in the old

days it was 4H and Ag. Again, the \$5,000 is nothing compared to what you are receiving from the staff. Thank you.

Cal Miller: Mr. Talbot, your last bullet point says that if the appropriation is not increased, this will reduce the number of full time educators. And so you would lose one?

Mike Talbot: We would lose part of one.

Cal Miller: So what would happen? What is the implication?

Jim Williams: The implication is that services are going to suffer. Right now the educators are maxed out. You aren't really going to lose half a person. You will lose a whole person when the programs start to suffer.

Cal Miller: That is my question. If this is not funded, will that position then be eliminated or made part time?

Mike Talbot: It would become part time.

Cal Miller: So we could put a value on the \$5,000. If it was moved to a part time position, how much less of your mission is going to be undertaken as result of moving someone from a full time to a part time?

Mike Talbot: Typically the university will fill positions in halftime or full time. With only \$124,770, there would be funds still available for four full time and one halftime. Typically, we don't count hours. We are there working under contract. A halftime person is expected to track their hours. There would be fewer workshops given by that individual. In this case, we have five competent staff that has been on staff for a number of years. To say that one of you would have to go to halftime, they would walk out the door. We would then have to fill that position with a halftime person.

Cal Miller: Is it fair to say from a productivity standpoint, that \$5,000 would cause you to lose more than half a person?

Mike Talbot: Correct. It would take two or three years to recuperate and adjust with a new staff person because you wouldn't be working with all of the services that are provided.

Paula Hughes: Councilman Vogt?

Darren Vogt: As I am looking at this, the type of services that you provide is an issue to me. You and I have had this conversation before. This is the Allen

County Homemakers edition of the Inside This Issue and it talks about Charity Chat, Laundry Guidelines for College Students, Vacation Home or Rental Property, Recipes for Patriotic Picnic, Basic Guides for Snacking and Making Birthdays Special. The reason I bring these things up is that I struggle with the day that we have a lot of non-profits out there and we are stretched to the max with our dollars. And we continue to fund areas of education that the Extension may think are valuable but there are times we have to make decisions regarding funding. These kinds of programs are done elsewhere in the community and don't need to have a government role upon those. It is our mission to make sure that we are putting the fiscal constraints where they need to be and spend the dollars in areas of education. I applaud what they do for 4H and a lot of their programs are good but I look at some of the programs and I think the government needs to step back and not provide some of those. The trustee offices are doing some very similar type of activities. I do have a couple of specific questions. The Master Gardener program, can you explain to me how that works and who that serves?

Mike Talbot: The Master Gardener program is one that is administered by the Extension Service. That means they have gone through a specific number of hours of training. There is approximately forty hours of classroom time covering things like pest control and lawn care. They receive two publications from the universities. In order to become certified are expected to give back about twenty hours a year in educational service.

We have a lot of not for profits in the community but is their work being evaluated and surveyed? Their work is not necessarily quantifiable and does it make a difference? Our programs are surveyed and we know they are making a difference.

Darren Vogt: Does the educator service only Allen County or the surrounding counties as well?

Mike Talbot: They service primarily Allen County but because Purdue pays 66% of their time, they coordinate and make sure the other educators in the surrounding eight counties are delivering the Master Gardener program that is up to par.

Darren Vogt: Do we receive any funding from them?

Mike Talbot: Like I said, Purdue is picking up 66% of his salary. Directly, are we getting, no. Purdue is getting some of that from the other counties.

Darren Vogt: But Allen County is paying a portion of that salary as well and we aren't seeing any portion of that salary that would be coming from other counties as well.

Mike Talbot: Keep in mind that Allen County is paying 5% less than the other counties. In a way, it is a wash.

Darren Vogt: Are we paying mileage for this person to go into other counties?

Mike Talbot: If he does go into other counties, those counties pay that. He only claims mileage when it has a direct impact on Allen County.

Paula Hughes: Council any further questions or discussion? Councilman Moss?

Paul Moss: It is a difficult question because I tend to agree with Councilman Vogt in terms of is this the role of government? I have experienced the 4H over the last couple of years and someone made the comment to me that you won't see these kids in the criminal justice system. It is almost a preventative measure that is worthwhile. I am having trouble getting around your point about what are the best services they should be providing. The \$5,000 is significant on one hand but it is insignificant when you consider some of the other areas of county government where we could apply similar scrutiny.

Paula Hughes: Council members any other questions? Okay. Thank you for your time. I should have prefaced this discussion that we will hear each of the appeals and not discuss actual funding until the budget summary tomorrow. Now we will have the Superior Court appeal. Mr. Moss, you are the liaison.

Jerry Noble: I am Jerry Noble, Court Executive for Superior Court.

Fran Gull: I am Judge Fran Gull, Chief Judge of Superior Court.

Paula Hughes: Council, the breakdown for the Superior Court budget is on page six through eleven of your special handout.

Jerry Noble: If I may begin with the items in the order they appear on the letter. I would like to start with two probation officers positions. These come under the requirements under the state minimum salary schedule for probation officers from the Judicial Conference of Indiana. There are two people in our budget that are affected by this. One is an Assistant Chief Probation Officer and this is a person with 20+ years of experience. A person with 20 years is required to have the \$50,743 base salary and to that we are required to add \$10,000 for a department that has sixteen or more probation

officers. So there is an appeal amount for the amount of \$995. Similarly, in the CASA budget, we have a person in the ten to fourteen year range and the minimum is \$41,936. That requires an appeal amount of \$822. Initially, when we submitted our pre-allocation letter, we didn't have the minimum salary schedule at that point. I will take any questions on those two particular items.

Paula Hughes: Council any questions for Mr. Noble?

Paul Moss: I have a question from when we talked about this before. What can Council do if this is a dictate from above? Is this kind of perfunctory?

Jerry Noble: I think so. In effect, this is the raise that you have been contemplating in the county. There will not be a subsequent raise to this after you make whatever decision you do regarding grids, salaries and so on. We are asking for this instead of part of the discussion about raises.

Cal Miller: The distinction is that we give everyone an allocation and they put it where they deem fit based on a prioritization of their needs.

Jerry Noble: What I would say in answer to this is that I would like this to be considered as an offset to the salary adjustments being made elsewhere.

Paula Hughes: Council, any further questions?

Jerry Noble: The next item in this letter is the Court Services Specialist. When we appeared before you in June, there was some discussion about this position. This position was funded has been funded for seven or eight years now out of our extra help account. Over the years the responsibilities have grown significantly and this is not something we can do without. This person has to coordinate our foreign language interpreters that we need daily. This is the main duty even though they also do other administrative duties as well. We are asking that this be considered a full time position with benefits. This was brought before the Personnel Committee at the July meeting. This is a position we just have to have. If this is accepted, we will reduce our health line item by \$12,500.

Cal Miller: What did the Personnel Committee decide?

Darren Vogt: We sent it on to be looked at. We agreed that the position made sense because it is being done already with full time hours and pay.

Roy Buskirk: Is there any reimbursement on this?

Jerry Noble: No.

Darren Vogt: Are there any grants for interpreters?

Jerry Noble: We have looked at that and we had just received a grant that was effective July 1 has been expended already. We apply every year and the last couple of years, we received about \$10,000. That is how we paid the interpreters. We are paying about \$65,000 a year for interpreters.

Paula Hughes: Councilman Buskirk?

Roy Buskirk: We have to provide interpreters for defendants. Is that all the time or just if they use a public defender?

Fran Gull: We pay the interpreters for the indigent. Eighty-five percent of the defendants that appear in our court are indigent. This doesn't include the folks that are in family court or small claims. A couple of years ago I entered an order directing that if you had the ability to retain private counsel then you were also required to pay for your interpreter. We had some problems with that. It has been difficult to get adequate interpreters qualified and certified by the Supreme Court to provide that service to a defendant. There have been occasions where the private bar neglects to provide an interpreter. I can't have an individual in court who doesn't speak English. We get the interpreter and we pay for them. We have attempted to get that reimbursement back from the private bar. That has been difficult. It becomes a due process issue in Criminal Court. It also becomes a due process issue in Family Court when we attempt to terminate a person's parental rights or take their children from them. We have to make sure that the people that come into our courts have equal access to our courts and understand what the procedures are. The bottom line is that regardless, we end up paying.

Roy Buskirk: If they do have their own private counsel, is it restricted by the court as to who they can use?

Fran Gull: Yes. I have had some discussions with attorneys that have taken issue with that particular court order. Part of the problem that led us to using only one specific provider for services was because of one individual in Misdemeanor Traffic Court. That person was given improper translation by an interpreter and was later arrested and charged with an offense that he should not have been arrested and charged with because the interpreter failed to accurately translate the information to the defendant. We discovered this when the transcript was sent to the IPFW Spanish Department and they provided us with an adequate translation and I was horrified that a court interpreter had inappropriately and inaccurately translated the proceedings.

It was at that point that I decided that we have to maintain control over who is providing service to the defendants.

Roy Buskirk: Is there a list that has the qualifications for people to become interpreters?

Fran Gull: There are state certified interpreters and a program in place. There are certified interpreters in Allen County that work through DeSoto Translation Services on State Street. That is the company that we use.

Roy Buskirk: So they have to use DeSoto even though there are other state certified interpreters?

Fran Gull: I am unaware of any other state certified interpreters in Allen County that don't work through DeSoto. There is a woman who just recently became certified and has started her own business. We have entered into some discussions with her about a couple of specific high profile cases we may be using her services on.

Jerry Noble: One of the reasons we qualify to receive grant funding from the Supreme Court is because we are subscribing to use more certified people.

Roy Buskirk: This expense is going to become greater because within the Fort Wayne Community Schools, there are 73 languages according to Wendy Robinson.

Fran Gull: We have some very different dialects that we deal with on a regular basis. The latest oddity was Mongolian. We had to use a company out of Monterey, California called Language Line who provided interpreters over the phone. They won't do a trial over the phone obviously.

Paula Hughes: I would just like a point of clarification on the request for the Court Services Specialist. The net amount under total request is that you would reduce your extra help line. And remember, we are always giving you allocations and where you place that in your budget is up to you. So your net request is actually \$14,618?

Jerry Noble: That is correct.

Paula Hughes: Council, any further questions?

Darren Vogt: We didn't get to the CHINS request.

Jerry Noble: That is the last item in the appeal. When we were assigned an allocation number, it was based on the 2006 budget. As you recall, the CHINS Mental Health Coordinator budget that was done mid year. It was not factored in to our allocation. I am not sure if this would be an appeal or just a clarification that this is a budget that is also reimbursed. We want to make sure it is part of the budget.

Paula Hughes: It was a clerical error that it was not included in the original submission.

James Ball: Could you give me a brief synopsis of what this person does?

Charles Pratt: I am Judge Charles Pratt. It is a newly conceived program that is in collaboration with the Department of Child Services. Originally it was coming from Family and Children's Fund but this is now going to be with other funds that are available through the state. It is to assist in child abuse and neglect cases that carry significant mental health diagnosis. This person assists the professionals with understanding the diagnosis and to assist the families with getting the needed services. All of the salary and benefits are being paid through the Department of Children Services on a contract basis.

Paula Hughes: Council, any further questions? Thank you for your time. According to my schedule, we now break for lunch. We are to start back at 1:30 with the assessors and their appeal. Thank you, Council. And we will be back here not in Room 128.

We will resume our meeting with the assessors and their allocation appeal. Mr. Vogt, you are the liaison for the assessors.

Darren Vogt: Council, you have a letter in front of you. Assessors, do you have a spokesperson that will be coming up to talk to us?

Paula Hughes: Why don't we ask the County Assessor to come up first?

Pat Love: Hello, I am Pat Love, County Assessor. With me is Bev Zuber, my Chief Deputy.

Cal Miller: Is there an appeal being made?

Pat Love: I am not appealing anything.

Paula Hughes: You have an appeal request for \$184,918.

Bev Zuber: We submitted this budget and we were over by that much.

Cal Miller: So you submitted the joint budget for County Assessor and Township Assessors. And that is the budget that is over the allocation by \$184,918.

Bev Zuber: Right.

Pat Love: Do you want to know why?

Paula Hughes: Yes, please.

Pat Love: What we did was the general fund budget is given \$1,533,000 I believe. We came up with one million seven hundred and something. We had to move some of our positions around within our budget. We moved the Chief Deputy that had been in the reassessment budget to the general fund. There were some other line items moved as well. We all are concerned about the Reassessment Fund and have been for some time.

Paula Hughes: So through your submission, you propose that you could combine all of the functions of all of the assessing offices but you need this amount to be transferred out of the Reassessment Fund.

Pat Love: It is 10% lower.

Paula Hughes: That is not reflected in the numbers you submitted.

Bev Zuber: In the numbers we submitted, our approved 2006 budget compared to total budget compared to the proposed 2007 budget is reduced by \$154,766.

Cal Miller: That is not really the issue, Ms. Zuber. You are here during the budget hearings and that your budget submitted is in excess of \$184,000.

Pat Love: Is that for the general fund?

Cal Miller: At this point, that is what we are talking about and this is your opportunity to explain to Council and advocate for your office why you can't do without those dollars and why Council should grant your appeal.

Pat Love: So we are focusing only on the general fund.

Cal Miller: At this point, the \$184,000 is what we are talking about.

Pat Love: I thought I was explaining it by saying it was going from the Reassessment Fund into the General Fund.

Cal Miller: So you are taking the \$184,000 out of the Reassessment Fund to take the pressure off that and preserve that fund?

Pat Love: And we also decreased the Sales Disclosure Fund.

Bev Zuber: We have decreased as much as we can and where we are and at a high dollar amount is in the consulting. And that is tied to the Glenbrook appeal.

Cal Miller: Do we have your reassessment fund in these materials?

Pat Love: We also have some money set aside for the Glenbrook appeal and we need to keep those amounts in there.

Bev Zuber: The consulting fees are the only area that we cannot cut back as much as we can. It is cut back but we are afraid to cut back any further.

Mark GiaQuinta: I can address some of that too. This might help you to understand what we are up against in that case. From a general perspective, it would be nice to explain to the Council the status of that case. It is a very high stakes piece of litigation. They have been paying the higher tax in hopes of getting a refund if we lose. We have tried very hard to keep the legal expenses as low as we can because we know this has been coming. That litigation has picked up a head of steam. A month ago, every assessor was issued a subpoena requiring that they provide mountains of information. We are contesting those subpoenas. In the meantime we are under some deadlines in regards to discovery and depositions. Both sides are in the process of retaining valuation experts who value regional shopping malls. They have raised a constitutional claim alleging that we have valued the mall in a way that no other property has been assessed. They have requested a number of disclosures trying to establish that Glenbrook has been singled out. A valuation expert from Chicago or New York will run between \$25,000 and \$50,000. We are also working with the individuals who helped us establish those appraisals. One of the issues is a constitutional issue based on equal protection and the other is a claim that we used the wrong valuation. They felt that Glenbrook should be valued around \$59 million and our valuation is around \$110 million. This is going to be a real battle unfortunately. I would be happy to answer any of your questions.

Pat Love: I wanted to add something too. There are 10,000 commercial and industrial parcels so this is what the township assessors would have to go back and research each one to see how they were assessed.

Mark GiaQuinta: I neglected a key point. It was our idea to stipulate to a PTABOA decision to avoid a PTABOA trial. We are doing our best to keep the expenses down. This will be an important piece of litigation to win. If we don't win, they are entitled to a refund.

Paula Hughes: I have one question. In going back to my understanding of the major reassessment that we did three years ago and we hired Nexus to assist in all of the commercial evaluations. What responsibility does Nexus have in all of this? Why are they not more burden by the expense?

Mark GiaQuinta: It was CLT.

Paula Hughes: Regardless of the agency. Why do we not have a partner in fighting this battle?

Mark GiaQuinta: We do. And we are negotiating with them what we are entitled to from them. We have had conferences with all of the experts who have been involved in assisting us with the evaluation of Glenbrook and participated and have agreed to continue to participate.

Cal Miller: Mr. GiaQuinta, I don't know if we should be talking about this because we are making an unnecessary record. What the assessors did and why should all be through strict depositions. I would just as soon not get into the rationale.

Paula Hughes: Was there any warranty or certification of the work that these contractors had done?

Mark GiaQuinta: I don't know. It was a mass appraisal and not an appraisal of just Glenbrook Mall. I just wanted to let the Council know that we are embarking on a very active part of this case and the part where we spend a lot of money.

Paula Hughes: I am actually trying to find the budget for the consulting fees.

Lisa Blosser: The reassessment is on page 149.

Paula Hughes: But that budget doesn't show it.

Darren Vogt: It is under the PTABOA.

Pat Love: We are keeping the money in the reassessment budget. If anybody wants their cut on the reassessment budget, we can't do it because we have this coming up. That is part of my explanation. We have cut one position for Chief Deputy. We have that posted now and is requesting a person who is degreed and is able to analyze trending and so forth.

Darren Vogt: Let's clarify that. It is not a cut but a transfer. It is a move from the Reassessment Fund to the General Fund.

Pat Love: That's right and thanks for mentioning that. We did cut one person from the PTABOA. PTABOA is part of the Reassessment.

Darren Vogt: Tera, can I ask a question from the Auditor's office? Our instructions, that we gave them, were to be minus ten percent. Where in the budget book is that reflected? Is the 1.5 the total of the 2006 budget for the Assessor plus the township assessors?

Tera Klutz: Yes, the second column says "Granted Adjustments". Those adjustments were made to the Township Trustees' and Assessors' budgets. Then it was reduced by ten percent and given to the County Assessor to arrive at the 2007 allocation. That is the 1.569.

Darren Vogt: So the request came in at roughly \$184,000 over and above that which includes transferred from Reassessment to the General fund. They made the cut we asked for but then asked for money to keep the Reassessment Fund solvent.

Cal Miller: Perhaps we made a sequencing error as we got into the assessing presentation. As the township assessors have presented a letter to the Council to reinstate their budgets. If that is something the Council entertains and ultimately passes, then we need to figure out what that means to the County Assessor's budget and each of theirs.

Paula Hughes: We have heard from the County Assessor that your increase request is, in your mind, a transfer from Reassessment to the General Fund.

Pat Love: And that will show the ten percent.

Paula Hughes: Council, any further questions? All right thank you. Is there a spokesperson for the township assessors? We can go down the line. Aboite Township?

Carolyn Berghorn: Good afternoon. I am Carolyn Berghorn the Aboite Township Assessor.

Nancy Chapman: I am Nancy Chapman, the Chief Deputy for Aboite.

Paula Hughes: If you would like to explain your appeal.

Carolyn Berghorn: Basically, there is an increase compared to last year because there was an extra deputy hire that we shared with Jackie Mahlock, the Washington Township Assessor. This was taken out of the Reassessment Fund before.

Paula Hughes: So this was out of the Reassessment Fund and the Assessor said it would not be funded from there any more. Council, we made a determination about the township assessors being able to make appropriations out of the Reassessment Fund independent of the County Assessor.

Cal Miller: Last year, there was a change in the law because we were able to make appropriations out of the reassessment fund. We gave some of the offices reassessment dollars directly.

Paula Hughes: So that was the \$5,000?

Cal Miller: Correct. I don't think that the County Assessor said she won't share those dollars. I think the issue was that if they were used at the current consumption rate would put the fund in jeopardy. If the fund goes in the red, the last year's law puts the assessing community to appeal to the DLGF (Department of Local Government). It would allow them to request a rate increase in the reassessment fund. Our concern last year was that if that fund runs out, the general fund will be looked to or appealed to assist in funding the assessing function. This is what led the townships to give us a better approach to assessing the townships. What we didn't do this year was rerun those projects for when the fund is going to run out. Based on last year's analysis, there was a five to eight year time that we recognized that the fund was going to run out. We agreed to spend money out of the reassessment fund and to give the townships individual allocations because we were allowed to do so. It was the hope to spur discussion about more cost effective assessing.

Carolyn Berghorn: I have not taken advantage of that because we have only had a part time help in the first month of the year.

Paula Hughes: So you have not, in 2006, used the reassessment funds that you were allocated.

Carolyn Berghorn: Only in the month of January.

Roy Buskirk: The \$500 is because someone passed the test. Is that what that is?

Carolyn Berghorn: Yes. But in the past, we were told that if we expected them to pass that test and include that in there.

Darren Vogt: So you have several people that haven't passed the test yet but are in the process of and anticipated for 2007?

Carolyn Berghorn: Yes.

Paula Hughes: Any other questions for Aboite Township? Councilman Miller?

Cal Miller: You and the other township assessors have presented a letter with the request to reinstate the budget with a pledge to commit to embrace the review of the assessing structure in Allen County and to promote the greatest degree of assessing uniformity in the most cost effective manner. I appreciate that commitment. Does that include assessing abilities that is not encumbered by township boundaries?

Carolyn Berghorn: Yes. We have worked on it.

Cal Miller: But your commitment to embracing this review will include the consideration of assessing structure that is not encumbered by township boundaries?

Carolyn Berghorn: Is that in the letter?

Cal Miller: No, your commitment is to embrace the review of the assessing structure in Allen County to promote the greater assessing uniformity. You have said this by signing this letter. The County Council wanted the township assessors to explore the assessing functions that grapple with creating an assessing structure that is not encumbered by boundaries. What I am asking is that if the budget is reinstated for 2007 will you look at the possibility of the assessing structure?

Carolyn Berghorn: May I ask you why you feel it would be more effective if we go outside our boundaries? We do that already with helping each other out.

Cal Miller: I think anytime you have the same function is being duplicated in the six by six box, there is potential for a greater uniformity and less costly assessing. I am not asking you to implement those things but to review them.

Carolyn Berghorn: It is up to the other assessors and if they agree on it...

Cal Miller: But I am asking you. I am not asking you to change anything or implement anything or go to the state legislature and lobby for it. I am just asking if you are willing to look at assessing outside of the boundaries that you have now.

Carolyn Berghorn: I will consider it. I try to have an open mind.

Paula Hughes: Councilman Buskirk?

Roy Buskirk: I am not so sure that we don't already have some of that because they do cooperate with information and personnel. They are already doing what you are asking.

Cal Miller: As you remember in the May presentation by the township assessors, the fundamental problem that we had was that they were clinging to the statutory boundaries. I am asking if they would consider a review and to analyze assessing structure that is not encumbered by township boundaries.

Paula Hughes: Councilman Vogt?

Darren Vogt: The point to that is that they don't need to go to legislation because of House Bill 1362, if you come up with something that is more effective and you agree to it and do it as units of local government. You can restructure on your own.

Cal Miller: Let me crystallize at least for the Council's benefit. When we passed the motion that took the budgets from the township assessors and put it in the budget of the County Assessor. During those discussions, there was voiced concern that Council continue to be involved in the discussion. As I recall, we were all unsatisfied that there was an analysis that would set aside the boundaries to see if they could arrive at a more unified way of assessing. What we have today is a commitment from the township assessors in the form of this letter that goes only so far. I am merely asking does that review consider looking beyond the township boundaries. I need that answer before I commit to reinstating those budgets.

Carolyn Berghorn: Has Councilman Vogt shown you what we have come up with? This is from last week.

Darren Vogt: I have not seen anything from last week.

Carolyn Berghorn: This is about the district plan.

Darren Vogt: I did not keep a copy of that. I did have a meeting but in that meeting we talked about if this is the best you can do then you need to see what the best you can do is. If this is statutorily the easiest thing to do, then we need to work on the other issues to get those done. Give us the best case scenario if you had started with a clean slate. And if you need XYZ in order to get that done legislatively then here is the fallback position.

Carolyn Berghorn: But we did work on it.

Darren Vogt: Yes you did but it was within the statutory boundaries.

Cal Miller: I wasn't aware of that but all I am trying to establish here a commitment from all of the township assessors to look beyond the statutory boundaries. As long as I have that pledge from you, I am all for getting back to business and getting this ordeal behind us. Does it include your pledge?

Carolyn Berghorn: Yes it does.

Paula Hughes: Councilman Moss?

Paul Moss: So this seems to be getting redundant because they are committing to a review that we asked them to a while back. The review that you performed and shared with Council was not as comprehensive as Councilman Miller wants or was it?

Carolyn Berghorn: This was totally different, I believe. Two totally different ideas.

Paul Moss: So the regional idea has not been shared with the whole Council.

Darren Vogt: Hold on a minute. Are you talking about the regional concept?

Cal Miller: Yes.

Darren Vogt: It didn't explore throwing everything out the window and starting from scratch. I think it may be a fallback position because there may

be things that hamper us from moving forward with a complete reassessment evaluation.

Paula Hughes: Jackie, please come up.

Jackie Mahlock: Jackie Mahlock, Washington Township Assessor. I think it is the start of something we are looking at. The regional thing is not in concrete. We are just working on something.

Paula Hughes: In your mind, it is evidence of your intent to move forward. Is there more support from the township assessors to go towards the more district or next step?

Jackie Mahlock: I believe so.

Darren Vogt: In my conversations it was.

Paula Hughes: Council, we are asking a huge task here. I am fully committed to assisting the assessors in reaching that goal but understanding it may be incremental. It is a monumental shift in the way of doing business. I want to do what we can to kind of set the stage. We really do all have the same goal. We want the assessing community to have an environment where they are most capable of fairly and equitably assessing all of the properties in this county. And I know all of you hold that as the priority to your jobs. Council has the added burden of making sure that we have the funds to make sure your budgets keep running. We are looking down a funnel because the amount of money is narrowing. We have not seen yet the evidence of a way to make things more effective, efficient and fundable for the long term. Correct?

Cal Miller: I think so. And our concern is what the depletion of the reassessment fund is going to mean to the rest of the county. Ms. Berghorn, you asked me a question and I waffled on it. You asked if I know that another way would be less costly and the answer is no. I don't have a fraction of the experience that you do and I have told each one of you that if I did, I would be willing to embrace the project to see if it could. Since we don't know what is going to happen with the dwindling of the reassessment fund that would make the project worth undertaking even by setting aside the boundaries of the townships. I can only be guided by what you tell us.

Paula Hughes: All right. So we have specific to the Aboite Township Assessor appeal as a transfer of funds from the Reassessment Fund to the General Fund. As well as funding for the recertification tests. Councilman Vogt?

Darren Vogt: I just want to make sure if you get the \$5,000 from reassessment that you don't also need it from the general fund. Right?

Carolyn Berghorn: Right.

Cal Miller: But in the appeal that is being made, are these funds on top of what you were allocated in 2006?

Paula Hughes: Yes, the top line is all township assessors requested the reinstatement of their current budget with five requested increases. Okay Council if we could move on to the Perry Township Assessor. Please introduce yourself for the record.

Angie Sorg: I am Angie Sorg, Perry Township Assessor.

Mark Schobert: I am Mark Schobert, Deputy Assessor.

Paula Hughes: Councilman Miller goes first.

Cal Miller: Thank you Ms. Sorg for your letter and ask you the same question with respect that I asked Ms. Berghorn.

Angie Sorg: Absolutely I would and if I could add to that, I would like to add what I have been looking at with the duties of the County Assessor and how I would like to see my boundaries extend outside of Perry by taking some of the duties that the County Assessor is doing now. This is actually a combination of County and Township Trustee. Some of the trustees have given up those duties already. Currently in the outline of the County Assessor's job is to do the countywide equalization, the maintenance of the computer system and the selection of the computer system, the certification of the gross assessments to the Auditor and PTABOA. The County Assessor really doesn't do any of the assessing duties. That is where I would like to see some changes. I think the rest of the township assessors agree with me because we have studied that.

Cal Miller: So you would be developing those thoughts and how it could impact the structure of the township's and County Assessor's needs?

Angie Sorg: Yes.

Cal Miller: Well, thank you for taking on that commitment.

Darren Vogt: I guess that is the regional plan that I have seen.

Angie Sorg: Yes, it was.

Darren Vogt: As our conversation was, I encouraged you to wipe the slate clean and make sure that if we were doing something, how would we do it. The fallback position might be that we can't do that because of some stumbling blocks.

Angie Sorg: I can say all of these things but I don't want to step on anybody's toes because there are elected assessors out there that are doing those duties now. But some of them have given up those duties. And they gave the duties up because they needed to have the Level II certification and for some of them, it is a part time job.

Darren Vogt: Would you like to go over your request?

Angie Sorg: Okay. I have some pictures for all of you (office pictures and the space that is needed). I am showing you the pictures because we are probably not being ADA compliant. You can see, with the use of the rulers, that there is no way we would be ADA compliant. We need workstations and it is a serious matter if it was looked into. We have 900 square feet.

Paula Hughes: Has this been brought up with the Space Study people?

Angie Sorg: Yes, it has. We did get a price for the workstations and it is close to \$15,000 for workstations, carpet and lights.

Paula Hughes: Council any other questions? Do you want to give more explanation on the printer and cameras?

Angie Sorg: On the cameras, I got some quotes for about \$200 and they are Olympus. They are four mega pixels and digital and are needed for field work. On the laser printer, I really do need a new one. This one is since the mid 1990's.

Paula Hughes: Has this been a part of the Refresh Program?

Angie Sorg: It could be but I added this in when we were asked to do our budget.

Paula Hughes: Have you talked to Mr. Steenman about it?

Angie Sorg: No, I didn't talk to him. I talked to Brenda Wright in Purchasing.

Cal Miller: The other thing that could be done, if it is a current need, is to come before Council and ask for it.

Darren Vogt: Although, if we are moving forward with the contract study, it may behoove us to not purchase anything. I defer to Councilman Moss.

Paul Moss: I think we received the County Attorney's approval and will go before the Commissioners next Wednesday. So it could be a month out yet after that for recommendations.

Judy Heck: I am just sure that could be through Ed.

Darren Vogt: But if we are going to be going to a new system and way of doing things, I don't want to be doing that.

Judy Heck: I think they are used in so many places that it wouldn't go to waste.

Darren Vogt: I am just saying that we may not want to replace it until we know if this new way is going to be the best way.

Judy Heck: He may even have one you can use until it is decided which way we are going.

Paula Hughes: What is the time frame for the study that is being done?

Paul Moss: Four to six weeks.

Paula Hughes: So this is for next year's budget anyway. Are there any other questions for the Perry Township Assessor? Thank you. Now we have the Washington Township Assessor. Please state your name for the record.

Jackie Mahlock: Jackie Mahlock, Washington Township Assessor.

Leisa Patrick: I am Leisa Patrick, Chief Deputy.

Jackie Mahlock: I have pictures too. And yes Cal.

Cal Miller: Thank you.

Jackie Mahlock: I am sure we are not ADA compliant either. I wanted to show you some pictures that show that we salvage stuff from the hallways. Some of the dividers are attached by metal strips that the maintenance department put in for us. We have had a safety write up because we just had

the dividers leaning at one point. We have the desks that came when the building was built in 1969. We have had some employees with neck, wrist and back problems and we are just not set up for the computers. I had spoken with Dan Freck who drew up a plan for me which would cost about \$15,500 for workstations. I think that all of the assessors are in the same boat. This is something that we would really like to have and also we are requesting \$4,000 for a copy machine that is eight years old. I will run this one until it dies. I didn't put anything down for the extra deputy hire which we would have used from the reassessment.

Paula Hughes: You would still like that to be reconsidered?

Jackie Mahlock: Yes I would.

Cal Miller: How much did you use last year?

Jackie Mahlock: I am not sure where we are but I have a person who works three days a week.

Cal Miller: How much are you asking for?

Jackie Mahlock: It was \$5,000 each and Carolyn Berghorn and I share the person for a total of \$10,000. We had \$20,000 but I had taken advantage of the reassessment fund and she didn't.

Paula Hughes: Council any further questions for the Washington Township Assessor? Thank you. Now the Wayne Township Assessor.

Bob Stellhorn: I am Bob Stellhorn, Wayne Township Assessor and my Chief Deputy Guy Willis. Actually, the only thing we asked for is our extra deputy help. We have asked for \$5,000. Last year I got \$10,000 from the reassessment fund. I have been very fortunate to get two good people that used to work in our office. I don't care where the money comes from, I just want to increase it from \$10,000 to \$15,000. I think we may have made a mistake on the PERF.

Cal Miller: So is the request \$15,000?

Bob Stellhorn: \$15,000 for the extra deputy hire. Last year, Marion County which is about the size of my township had 48,699 parcels with a proposed budget of \$1,053,959 and they had 15 full time employees and $\frac{3}{4}$ part time. I have twelve employees including me. In 2004, we were cut one full time and one full time/part time employee. I am not asking for the positions to be filled again, I am just asking for the extra for the extra deputy hire.

Paula Hughes: You have a request for supplies and printing as well?

Bob Stellhorn: I think we changed that.

Cal Miller: So is it \$15,000 you are looking for?

Bob Stellhorn: The \$15,000 and PERF.

Darren Vogt: Did he answer Councilman Miller's question?

Cal Miller: Mr. Stellhorn will not be leading Wayne Township next year so I didn't think it was appropriate to ask the question.

Bob Stellhorn: One thing I am trying to do is to protect who my replacement is going to be. Both of the people that are running for this office will work with the other townships. I think you will be satisfied with whoever comes into this position.

Cal Miller: Thank you and we could all wish to be as civilized and adult and professional as you leave Wayne Township.

Bob Stellhorn: I have been in public life for 26 years and it is time to get out. I am ready to get out even though I probably shouldn't say that.

Paula Hughes: Okay. Any more questions for the Wayne Township Assessor? Thank you.

Round of applause for Bob Stellhorn.

Paula Hughes: Do we have Mr. Yoder from Cedar Creek? We can only consider submission from the current Cedar Creek Assessor. We can not consider the budget submitted by the Assessor-elect. We will move on. Do we want to hear from the other assessors in response to Councilman Miller's question?

Cal Miller: I don't think we can ask them to do that.

Paula Hughes: We have assessors in the audience that don't have an increase in the assessment or appeal increase above last year.

Cal Miller: Mr. Nagel has already made the commitment.

Roy Buskirk: Even though Pleasant Township is not requesting more money can we give him the floor for a moment?

Paula Hughes: Absolutely.

John Henry: My name is John D. Henry, Pleasant Township Trustee Assessor. I won't take much time. I was listening to a lot of comments today. I just wanted to say that as a taxpayer, more than an elected official, this letter had some points in it. Councilman Miller was asking all of the assessors if they would look into going beyond the township boundaries. I agree and would also do that as a trustee assessor. However, I want to also emphasize that I hold very near and dear what I was elected to do by my constituents. Some of the trustee assessors that have relinquished some of the duties to the County, I hope did that according to the state law and through the township board. I think as an elected official, I should never do just what I want to do. I know 1362 is a work in progress. It does allow for some local agreements. I resort back to the taxpayers. While I would be agreeable to look at the boundaries but at the same time, I would do it with somewhat the approval of the board and the constituents that voted me in. I do not feel that I would be living up to my duty by turning it over to another township. I have a problem with that because I was voted in to do the job and meet the certification laws. I am just real compelled to be careful because of what I was voted in to do.

Cal Miller: I don't think we are on different pages at all. The idea was that if you people, with all of the knowledge, could conceive of a way to make the system even better to serve the people. The implementation is another story. I agree wholeheartedly to not get ahead of ourselves.

John Henry: I don't know if there is anything I can answer as far as trustee assessor duties but I would be glad to.

Roy Buskirk: Aren't you President of the townships?

John Henry: Yes, the County Association of Townships.

Paula Hughes: Thank you very much. Council any further comments on today's activities?

Tera Klutz: Do you want us to rework these numbers? Do you want to see what the County Assessor would be if we did not include that? If you let us know, we can give you new numbers with what is now the real appeal for the County Assessor.

Cal Miller: Yes, I think we do need to have those numbers to go forward.

Darren Vogt: I would be willing to make a motion if we need one to reinstate the assessors' budgets.

Paula Hughes: I think a motion is appropriate.

Patt Kite: I'll second it.

Paula Hughes: We have a motion and a second, is there any further discussion?

Cal Miller: Just thank you very much to all of the townships assessors for all that you do every day and for committing to look at it next year.

Darren Vogt: And as you go forth, please feel free to call me and I will meet with you.

Paula Hughes: I hesitate to suggest this because it sounds touchy feely but I wonder if we should have a formal facilitator to assist the assessing community in finding this new path. It's a hard job and there have been extra stresses and strains put on those departments. We really are asking a big task of them.

Cal Miller: I would be in favor of doing that and be involved if they want us to.

Darren Vogt: That is the conversation I had with Ms. Sorg and I suggested let's put up a timeline and get the processes in place and how all of that came. Now is the time for us to sit down and regroup. As their liaison, we can talk about it and then come back to Council.

Paula Hughes: That would be money well spent for the greater good of restructuring the assessment function. **We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0.** Councilman Vogt?

Darren Vogt: Councilman Miller, do we want to have a discussion about the personnel and the conversations that we had?

Cal Miller: Sure. We met over lunch with Jackie Scheuman and Brian Dumford. We are trying to get an idea on a process to making some decisions. What we were struggling with is the cost because some of the UPROB's and EXEC/SAM's are not in here. Perhaps, the most prudent way to go about this process of the job evaluations is to first of all, get everyone placed on the grid.

Secondly, make the decision as a Council whether the Exec/Sam's will be on a grid and if they are placed there, find out what the cost associated with that would be. Once we make that decision, we can then begin crunching numbers for what an annual salary adjustment would cost. Once we have done these things, we can make a decision about whether there will be any adjustments to pay for 2007.

Darren Vogt: The key emphasis on Sam/Exec. That is a grid that we do not have. It affects the elected officials and we can not adjust that during the year. It can only be set one time during the budget cycle. That is a decision that needs to be made. We need to have those numbers in a format that we can share.

Cal Miller: And as a practical matter, if we did it the way it was suggested, we are looking at the internal inequities after we have already decided what the percent increases would be. The ideal way would be to flip-flop that.

Darren Vogt: And one other component is whether we fund any type of increase for this year or leave it alone until we get the big picture worked out.

Paul Moss: I want to make sure I understand what you mean about placing people on the grid. We are going to look at the current review that has been done and based on that, we are going to put people on the grid but not adjust their salaries. Is that what you are saying?

Cal Miller: Place them where they need to be on the grid.

Tera Klutz: That will adjust their salaries.

Darren Vogt: But that will not be done before this budget session is ended.

Cal Miller: Theoretically, we need to place those so we can see what the cost associated would be.

Paul Moss: But from an HR perspective, how will that work. Or is this all in theory?

Cal Miller: In theory for us to be able to assess and make decisions, we will take the information and through models, stick people on the grid and then manipulate the numbers based on the increases.

Paul Moss: You are not talking about making real changes.

Cal Miller: We need to have those reclassifications done so we can go through for a numbers standpoint to then make a decision to finally implement.

Paul Moss: So what is still outstanding in terms of...?

Darren Vogt: SAMS are not on the current grid system. The numbers you have are SAMS on a new grid system. And all of the reclassifications need to be done. Once those are done, that can be discussed. And that should be done today or tomorrow.

Paul Moss: So for budget purposes, are we planning on setting aside some money?

Cal Miller: I think we have in the pre-allocations.

Paula Hughes: Yes, we earmarked \$2,044,093 for reclassifications and appeals.

Cal Miller: So we have earmarked sufficient money to address this.

Paul Moss: The numbers are just going to go up.

Darren Vogt: It depends on what part you are talking about. There are so many different steps. Then the numbers will potentially change.

Paul Moss: I wasn't referring to that. If they aren't all placed on the grid and not all classified and this is a work in progress, then I figure the numbers will go up some.

Cal Miller: We just need all of the factors in place before we can decide.

James Ball: I want to go back to a comment you made a few minutes ago, Councilman Miller. I think it is very clear to me and you mentioned the internals. What is the status on the internals? To me, you need to do the internals.

Cal Miller: I agree. We need to have those figured out. I don't know what the status is.

Darren Vogt: The job evaluations are in the process of going back to the department heads and they will be reviewed for accuracies. The department heads will ask questions and then they will be placed on the grid.

James Ball: Do you have any idea what that timeline is?

Paula Hughes: Our consultant told us it would be completed in April.

James Ball: Did the department heads get any timeline to get their questions back to him?

Paula Hughes: That, I don't know.

James Ball: I don't think we should proceed unless we have internals first. I see disparities in the departments that I am liaison for.

Roy Buskirk: That was the plan when we started this thing over a year ago. It didn't end up that way.

Cal Miller: We will need to decide if there will be any adjustments made to pay for 2007 while this project is still outstanding.

Paul Moss: And also how those adjustments will manifest themselves.

Cal Miller: There is a lot of work yet to be done.

Paula Hughes: Is it only elected officials that we can not change the salary in the middle of the year?

Darren Vogt: The issue is if we want to put the executives on a grid.

Paula Hughes: The deeper we get into this, there is a lot that still hasn't been examined. I am hesitant to approve anything. I am agreeable to delaying the elected officials because they know what the pay is when they run. The proposal is that Mr. Dumford will have for us tomorrow information on the expense to shift the current SAM/EXEC people to a grid.

Roy Buskirk: Some of the Chief Deputies are paid on a percentage of what the elected official receives.

Paula Hughes: Some are and some aren't.

Roy Buskirk: So you may be affecting some Chief Deputies.

Darren Vogt: Not if we set the salary ordinance.

Paula Hughes: In my mind, the only reason not to move the SAMS/EXEC's to a grid is we could put ourselves in a place where we would be further redlining.

Darren Vogt: I don't see why that would be the case. A new grid does not reclassify the job.

Paula Hughes: But if you look at the restructuring summary that we have from this morning even though we are not increasing the minimums there is still cost of redlining in those categories.

Darren Vogt: That is assuming a new structure.

Tera Klutz: I think I can help with this. There is only one grid. You will not be shifting to a new grid.

Paula Hughes: But we are proposing an entirely new grid.

Cal Miller: Just getting away from steps and only doing annual increases.

Paula Hughes: But there is expense from shifting from the current step grid to the newly proposed grid. Is that the only negative impact?

Darren Vogt: Mr. Dumford said that most of the redlining was minimal in dollars. It was not a major issue and would be phased out over a couple of years.

Paula Hughes: Council is there anything else? We will recess until 8:30 on Thursday, August 17.

August 17, 2006 8:30 A.M.

Paula Hughes: Good morning, we are back for day two of the Allen County Council Budget Hearings for 2007. First on our agenda is the Family and Children's Fund 264. And if you would like, before we begin the discussion of your budget, we can continue the discussion on the Early Intervention Plan that began yesterday. Council, did you have a chance to review the information so that you can approve or discuss it? And could you please introduce yourself for the record.

Michelle Savieo: I am Michelle Savieo with the Department of Family and Children Services.

Charles Pratt: I am Judge Charles Pratt with Superior Court and responsibilities with Family and Children Services.

Paula Hughes: Council, is there any discussion or comments on the Early Intervention Plan?

Cal Miller: Move for approval of the Early Intervention Plan.

James Ball: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0. Now let's talk about the budget.

Michelle Savieo: We presented a budget for 2007 with a total of \$31,688,500. We presented it with no operating balance which keeps the county cost lower. When I looked at the budget from last year, it was a six percent increase. We saw the rise in the rising cost of placement. Over the past year, the state has gone to state placement cost. In the past, we have been allowed to work at keeping those at a level that worked for our county but we can no longer do that. We also expected to have some intensive preservation and reunification services begin that would allow us to keep children in their own home. That didn't happen but will begin sometime this year. We want to provide more services to families that are more concrete in an effort to have an impact on the continuing rise of the placement cost. Other services that we have factored into the budget are the mental health court within Family Court with Judge Pratt. This provides mental health services to families that have mental illness. This budget resulted in a tax rate of .1344.

Charles Pratt: I think it is important to note that last year, we anticipated an increase in per diem costs for foster parents but then were able to back that out. So when Michelle talks about a six percent increase over what we originally anticipated for per diem. The increase that Michelle has put together is really only a one percent increase. I think her work has been extraordinary for her first half-year. Last year when we were debating House Bill 1001, the wisdom at the State House was that the state was going to have to absorb a six to eight percent random increase in DCS costs at the state level.

Paula Hughes: As a reminder for Council, this is a budget that is a part of the property tax level but is separate from the levy, that Council considers, which is the General Fund, the CUM CAP Fund and the Reassessment Fund and Health Department is the fourth one.

Roy Buskirk: Last year, there was talk of the state taking over the cost completely and taking it off our levy. Do you see that coming in the next year?

Charles Pratt: On behalf of the judiciary, there are ongoing meetings with legislators as to what that will look like. I would say there is almost one hundred percent certainty that you will see some legislation in January. My guess is that it would freeze the levy at some level and the state would absorb some of the cost.

Roy Buskirk: One thing that it would be of concern is the fact of the circuit breaker situation of the two percent of assessed valuation. If this is taken out of the tax levy, it would relieve the number. Another thing to be careful with is so many of the miscellaneous income items is based on the tax levy percentage. If that is taken out of there, adjustments need to be made.

Charles Pratt: I don't know what that is going to look like yet. I do know there are several meetings but nothing on the official radar yet.

Michelle Savieo: I agree with Judge Pratt that the state is looking at working on negotiations to see where that goes.

Charles Pratt: One of the things that the Governor, from my understanding, is that they are concerned about equalization of services across the state. We are considered a wealthier county because of some services and revenue as compared to some other counties. That has some fiscal and political dynamics to it.

Paula Hughes: I have another question. We have had discussion about the Psychiatric Treatment Fund and any fund that is appropriated towards that but is not expended can go towards paying for Boys and Girls School placements. I noticed that you reduced that budget. My question, I guess, is for the Auditor. Was the Council counting on a portion of that to pay towards the Boys and Girls School?

Michelle Savieo: There will be a portion that we will pay towards that. It was factored into our budget this year. We asked for a million dollars last year and are again asking for a million dollars.

Darren Vogt: It was 1.5 in 2006.

Tera Klutz: Everything is appropriate with regard to their budget amounts and their operating balance. They have done everything they can.

Paula Hughes: I just wanted to make sure we had that checks and balances in place.

Michelle Savieo: There will be a left over sum that will help relieve any debt with DOC.

Darren Vogt: Along that same line, I was looking at the out of home placements, institutions, are those DOC placements or our juvenile center or where?

Michelle Savieo: Six point five million are juvenile probation. The remainder is pretty close as far as the cost. What you will see is our office has been able to claim reimbursements whereas with the juvenile probation placements, we expend more funds because we don't get the reimbursements.

Darren Vogt: So what institutions are they? The local ones or...

Charles Pratt: The statute requires that we first look to local institutions within our county boundaries and then we move on from there. Allen County does not place outside of the state of Indiana. Frankly it depends upon the needs of the child and not every child is appropriate for Crossroads as not every child is appropriate for Gateway Woods. We are getting a lot of kids with mental health problems. There are few places we can send them and Meadows in Bloomington is one place.

Paula Hughes: Councilman Moss?

Paul Moss: Was your question about line 520, the fourteen million out of home placements?

Darren Vogt: Yes.

Paul Moss: So if you were to break down the fourteen million dollars, where do you think the majority of it is going?

Michelle Savieo: Twelve point six million is going to go to institutions.

Paul Moss: I understand that but what is there one institution or another that gets the lion's share?

Michelle Savieo: It really depends upon the child. Some placements are more expensive than others. There is a placement in Indianapolis that deals more with developmentally and behavioral issues. That is more expensive placement. They may get a larger share of money but they get fewer children.

Paul Moss: Do you have set per diems that you negotiate with these providers?

Michelle Savieo: The state sets the per diems with the providers. In the past, we were able to negotiate but that is no longer.

Paul Moss: So, on a different note, do you anticipate the trend for these expenses to just continue the direction it is going? This is a substantial amount of money.

Charles Pratt: I agree. One of the things that we have sent to the state is that the placement costs should be taken over by the state as opposed to local service contracts. The state would then become the only consumer of placements. Secondly, I think we can do some harder work on both sides to reduce the placements. Sadly, there are some kids that we have no choice.

Michelle Savieo: I believe we have some goals next year with the Early Intervention Plan that we are going to use to help control the placement costs. The other thing I think we can do is more effectively utilize programs to help families keep their utilities going and pay their rent. If we can keep the children home, we can avoid placement. Sometimes when children go into placement, it is very difficult to bring them home. If we can come up with some plans to keep children at home to begin with or get them home quicker, we can have an impact on placement costs.

Paul Moss: My point is that this is a large budget.

Charles Pratt: I don't disagree.

Paula Hughes: This is equivalent to the entire county's General Fund budget.

Paul Moss: What does this number have to be before we start to look at root causes and issues?

Michelle Savieo: I think it is time to start looking at those things and how we can keep children at home. It is very detrimental to the whole family when that child is removed.

James Ball: I will add to that when I met with Michelle last week, I walked away with a very positive feeling in that she is trying to get the institution costs down. Another thing she suggested is pursuing counseling services in the home environment.

Michelle Savieo: Another thing I want to tell you is that the state is increasing the amount of case managers. We will see an increase of twelve in December and seven in January. This will bring the caseloads down and move more toward family involvement. The case managers will become the agent that works with the family. When they have only seventeen children to work with as opposed to forty-five right now, it frees up a lot of time for them to get to know that family.

Charles Pratt: We are anticipating on where we are at with new cases. If the numbers continue as they have we will see a twenty plus percent increase in cases over last year.

Paula Hughes: Okay, Council, any further questions for Family and Children Services? We need a motion to approve the budget.

Tera Klutz: If you have no modifications, you don't need a motion. Then you will adopt them all together at the September meeting.

Paula Hughes: All right. We are ready for the Commissioners.

Linda Bloom: Good morning. My name is Linda Bloom and I am a County Commissioner.

Paula Hughes: Okay Commissioners, you have an allocation increase request of \$13,999 for part time help for the Veteran's Affairs Office.

Nelson Peters: I am Nelson Peters, County Commissioner. We have had discussions in the past with members of Council regarding the need to add to our Veteran's Service Office. At this point, we have an individual who is overwhelmed with the walk-in traffic and the number of calls, the types of documentation that is necessary and just the overall responsibilities of the job. He has done an awesome job for us but his constituency is 32,000 veterans within Allen County. We have gone to the state and federal governments looking for money to help provide assistance for him in that office. The best we could end up doing was an approach to you for part time monies. Our request was for \$10,400. As I was explaining our plight to Matt Schomburg, Wayne Township Trustee, he suggested that in the true spirit of cooperation, he might be willing to fund half of a full time administrative assistant. This allows the Veteran Service Officer to get out in the community more and to raise the types of dollars that flow back through Allen County to the tune of three point five million dollars and bringing even more money back to the community. We have done everything we can do at this point. I respectfully request the opportunity to move forward on a full time position utilizing the County's dollars with the Wayne Township dollars. The \$10,400 that we initially requested can be backed out by \$5,700 in one of our line items. There is a contract for federal reimbursement that our Auditor was able to negotiate downwards in terms of expenditures that would be required out of the Commissioners' budget.

Paula Hughes: That is line 31-15 in the 300 series?

Judy Heck: Yes.

Nelson Peters: So consequently, there is \$5,700 there that has been over-budgeted. That line can be reduced to \$10,000. I would ask that \$5,700 be utilized for the request that we are making.

Cal Miller: So what is the specific request after we do all of the math?

Nelson Peters: When all is said and done, we are looking for \$4,700 and whatever our percentage of the benefits would be to help fund this full time position.

Paula Hughes: Councilman Vogt?

Darren Vogt: Mr. Schomburg, would you like to come up and address this? I would like to hear your information as to why you want to help share in that cost.

Matt Schomburg: Good morning, Council. I am Matt Schomburg, Wayne Township Trustee. Having been raised in a household of a World War II veteran, I was always taught to honor and respect our veterans. When I became trustee, that was one of the focuses I had, was to make sure that we never let our veterans down. I was overwhelmed by the number of veterans that came to our office seeking assistance. Veterans had so many benefits that they weren't aware of and it wasn't for the lack of effort of the Veterans Service Officer, George Jarboe. There are so many in need that we agreed with the VA Hospital to have a stand down in health care and it has grown every year. A veterans' stand down is an event where veterans can come and get some refuge. It is really to help homeless veterans get services. The VA provides clothing for them and a lot of important things to our veterans. We have turned in grant applications to build homeless veterans' shelters because there are none here. There is an incredible need. Shorty Geiger is here and he is a three term president of the Allen County Council of Veterans. He had talked to me about the fact that they had Veteran Service Officer training and if we wanted to know all of the avenues available for veterans, I needed to go to the training. There isn't anything I wouldn't do for the veterans of our community because they never ask for anything. They served us first and I felt an obligation to do all I could to help them. I went to the training and I will tell you that George Jarboe is like an icon among all of the veteran service officers in the entire state. The gentleman from Huntington told me that he has 8,000 veterans and we have three people to take care of them. George has over 30,000 and does it by himself. I don't know how he gets it done. Well, he doesn't get it all done. He does what he can do but there is just so much more to do. I know at Wayne Township, with the alliance with the VA Hospital and working with the veterans, we have gotten so many signed up for their prescription benefits alone. And with that, the cost of the prescriptions in our budget has gone down. Veterans have gone through so much turmoil the last several years with the VA Hospital and I have helped arrange meetings with our congressman and veterans. Everyone has stepped up to try to help the veterans and I think the Council has a real opportunity to be a leader in that and fund this position. It will bring back far more money than would ever be expended out of the county budget. We would add a lot to the local economy by helping George with this position.

We do not look at the administrative cost of things if it helps the value of our community. We developed the payee program to help manage the funds of people with disabling conditions. A lot of them are veterans. There are people out there that are unscrupulous and will try to prey on these people and then they are left penniless. By funding the position like this, George will get the help he needs. He is incredible with the amount of knowledge he has. He gets calls from other service officers because of his knowledge and expertise. For him to have to spend time on some of the regular duties is a waste because he

could be spending his time on the knowledge and expertise that he has to find ways to assist the veterans. I would be happy to take any questions you may have.

Darren Vogt: Do a lot of the veterans come into your office then?

Matt Schomburg: Yes, we have a tremendous amount of veterans that come to our office. George is amazing in helping them. I have a supervisor that we have earmarked to always look after the veterans when they come in.

Darren Vogt: Are most of the veterans in your township?

Matt Schomburg: Yes, the majority are in my township.

Darren Vogt: That leads to the next question. If the majority of veterans are in your township, would it make sense to have him located in your facility?

Matt Schomburg: I don't know that it wouldn't work. I know for him, there is a lot of documentation that he gets from the records department here. For veterans coming in, we could be as welcoming as the City County Building but for George, it could be a problem because of all of the information that he needs for the veterans.

Paula Hughes: It just makes sense that if this is a shared position, the person should be located where both can utilize the person.

Matt Schomburg: I would have the space but I just figured we would share the person and they could be in our office and over here. I am willing as to what will be best for the veteran.

Darren Vogt: That was my thought that if they were already coming to your office but we will need to talk to George.

Paula Hughes: It seems like it would be more convenient because the parking lot is right there and it is free parking. Councilman Moss?

Paul Moss: I think everyone up here wants to help veterans. I am curious that since there is a Department of Veterans Affairs, how has this become a county responsibility to provide this service?

Nelson Peters: State statute.

Paul Moss: So basically, the state has delegated that to the counties. Has there been any discussion with the City about this?

Nelson Peters: This was a City position back until 1995. There was a Human Resource guy who managed to get this into the County budget.

Paul Moss: So then the statute changed?

Nelson Peters: I don't know that the statute ever changed. The fact was that the statute was such that it was always a county function. That is how the City was able to move it to the County as easily as they did.

Paul Moss: But the statute doesn't indicate anything about staffing levels or such?

Nelson Peters: No, it just says that the County shall provide a Service Officer. A couple of other things, we were number one in the state of Indiana in procuring dollars for veterans in 2003 to the tune of \$2.3 million dollars. In 2004, he was able to get \$2.9 million dollars. In 2005, it was \$3.5 million. These are benefits that are spent here in Allen County. In the meantime, if you look at the burial line, that figure is budgeted at \$60,000. Most recently, \$58,000 was spent yet it is a line item that was at \$70,000 in years past. The reason we could go from \$70,000 to \$58,000 is because George was able to screen the burials for the correct county as well as for individuals that weren't even veterans. Some of this had been slipping through the cracks before. If you look at last year's actuals, we only spent \$48,923. He was able to reduce that again. These are some of the tangible benefits he is providing the County.

Paula Hughes: I have a couple of questions. If you could remind me of what functions are provided for in the Extra Deputy Hire line.

Nelson Peters: That is for the daytime security guards.

Paula Hughes: If last year's actuals were only \$80,000, why does it need to go up \$20,000 for 2007?

Nelson Peters: I don't know that I can answer that except to say that nothing more will be spent from that. It is spent specifically on security guards.

Paula Hughes: Judy Heck?

Judy Heck: It was our first year for using Diamond Security so, in December we were still using the other company. I didn't know how much it was going to be so I just included a three percent increase from what it was last year in case they get raises.

Paula Hughes: This is actually a ten percent increase.

Tera Klutz: This is through July so the annualized number would be \$79,800.

Judy Heck: Oh, and this is the daytime and I was thinking of Diamond which is in the 300 series. With the daytime guys, I don't really know what their hours are. I added the three percent in case you gave them a raise.

Cal Miller: Any raises are set aside.

Darren Vogt: These are part time people anyway.

Paula Hughes: And they are contract so we wouldn't be involved in their raises.

Nelson Peters: They came in during the middle of the year and I don't know if we didn't pay their predecessors also.

Judy Heck: We are confusing the two. I was thinking of the evening security which is in 31-50.

Paula Hughes: 31-50 is contractual security and that is another \$101,000.

Judy Heck: The top one is only daytime security.

Paula Hughes: One of the things this Council has said is that we will do a bulk allocation to departments unless they appeal their budget. At that point, we may delve into the details of the line items. It seems to me that there is more than enough money for manipulation within this existing budget to cover the expense. Looking at the 200 series, you have plugged in \$4,000 for both general and stationery/printing. Your 2005 actual spending was under \$2,500 in each of those lines and your year-to-date is less than \$2,000. It seems that you could trim the budget amount for each of those. I am talking about 21-01 and 21-03. Gas, oil and lube, year-to-date, you have spent \$427 but you have \$2,000 budgeted for next year. I am not going to argue the philosophy of adding help to the Veterans Office. It seems like you have proven that case to me but I am arguing that you need additional funds to make that happen. Councilman Miller?

Cal Miller: It sounds like what you really need is a salary ordinance for the position.

Nelson Peters: We will endeavor to do that.

Darren Vogt: When do you anticipate hiring this person?

Nelson Peters: I would love to have the person today but we would make the person effective January 1, 2007.

Darren Vogt: It will need to come before the Personnel Committee's next meeting. Maybe you can manipulate some of the money and Mr. Schomburg can get some of his money and they could start sooner. Is there a job description written?

Nelson Peters: I believe so.

Linda Bloom: Could we also talk to our Veterans Affairs Director, George Jarboe, and to the usage of space at this time?

Darren Vogt: Sure.

Matt Schomburg: Could I add one more thing for the Council? We had a veteran who came to our office and he was a lost soul. He had gotten involved in drugs and alcohol and had been disowned by his family. We got him on our payee program and he was able to kick his habits. He finished the two classes he needed to get his college degree. His life turned around and he developed a disease and died. Shorty Geiger is here today and he helped us arrange for a military funeral and his whole family was there. The family had become very proud of him and his turn around. I appreciate your full support for this person and it will mean a huge thing for the veterans. Thank you for your time.

George Jarboe: Good morning. I am the Allen County Veterans Affairs Officer. This is the first opportunity I have had to appear before the Council. I have been the Veterans Affairs Officer for eleven years. In this job, we help a lot of people out and we need to better that and it can be through me having some help. There are people in our community that are entitled to benefits that they aren't even aware of. We don't have the manpower to get out and see these people. We have a tremendous amount of assisted living facilities and nursing homes that maybe don't read the American Legion magazine or the VFW magazine to know of these benefits. The VA is a huge organization and they have a lot of benefits and I try to network as much as possible to get the word out to them.

As for the space situation, when I do a claim for an applicant we have to gather evidence to submit that claim. To do that, I have to go to many of the departments here to get the information that is needed. I think it would be a

problem if I was housed at the Trustee's office. Sometimes we have a short-fuse situation and it would mean running back and forth between locations. I personally think it would be better to be here in the City-County Building. The number of veterans, that I see come, from all over. I see veterans coming from Michigan, Ohio and other counties. We have no restrictions as to who we see and who we don't. The name of the game is to help the veterans and their survivors. The thing about a County Service Officer position is that you can do basically whatever you want to do. There are some in other states and counties that do not provide what they should. That is not always their fault as they may be part time or retired and doesn't have the capability to retain the knowledge that is needed to do the job properly. I would like to have some help. I have been working my tail off for the last eleven years. I will continue to do so no matter what the outcome is. But the bottom line is that there are people out there in our community that are entitled to these benefits and need to be made aware of that. Sometimes getting them a couple extra hundred dollars a month can be the difference between them getting their medication or groceries. I do feel that the office would be better housed in the City-County Building because a lot of them come here to pay their taxes and so forth and they can come to see me. I would be happy to answer any questions you have for me.

Paula Hughes: I think the space issue actually needs to be taken up with the Commissioners because there are many offices that maybe are not located where they should be. Your office is one that is nudging that to a head. I certainly understand your rationalization. Councilman Moss?

Paul Moss: I assume there is a commitment that this person would be working solely on the veterans' issues. Correct?

Nelson Peters: That is correct.

Paula Hughes: Commissioner Peters, in the Personnel Committee, there was discussion of restructuring in Human Resources and that this was tied in with the Service Officer?

Nelson Peters: No, they were mutually exclusive and we are proceeding with that restructuring.

Paula Hughes: Okay. Thank you. Mr. Geiger, is there something that you would like to say?

Robert Geiger: My name is Robert Geiger, better known as Shorty. I have been working in the county for the past 15 to 17 years. I have been assisting veterans in need through various positions. I was rather stressed when I

heard some of the horror stories connected to George's position. On the housing issue, I think transferring the office to the Trustee's location would be very detrimental in more ways than one. George has presented a lot of those issues already but we have a lot of veterans and they are very proud individuals. Some of them are business men and some are retired factory workers. They will not go to the township just for the fact that everyone knows where you go if you are down and out. The veterans are very proud and that would be like going to the welfare office. If they tell people they are going to the County Building that would be that. There is no negative thought to that.

In regards to duplicating services, Matt asked me to help set up a program and I did. Wayne Township is kind of like the base for the state of Indiana and the township trustees. The first line of defense for veteran who is down and out is to make him aware of the benefits that are due to him. When they fill out the applications for assistance, they are asked if you are a veteran. If they are a veteran, Matt's office makes them aware of George Jarboe.

Paula Hughes: Councilman Ball, did you have a question?

James Ball: I just wanted to address Commissioner Peters and Commissioner Bloom of my wishes that the office retained in this building. It is a countywide position and even though the bulk may come from Wayne Township, it is better and more suited if it was here.

Paula Hughes: Okay. Council any further questions? Thank you for your time.

Robert Geiger: Thank you.

Paula Hughes: Commissioner Peters are there other appeals that you are making?

Nelson Peters: No ma'am, I believe that is it. Thank you.

Paula Hughes: Thank you. There was discussion at the pre-allocation meetings by Council of the increasing trend of funding the Highway Department through all of the available funds in the Commissioners' office. That has caused some concern and many of us feel that strongly that CUM CAP and CEDIT should not be spent on Highway projects unless that particular project is tied in terms of CEDIT to a specific economic development project. From my perspective, it is something that needs to change. Council, is there any further questions or comment on that? Would you like to enlighten the Council on your plans going into the future?

Linda Bloom: The Highway Department, instead of line items of materials, you requested a list of projects and at this time would be a good time to do a PowerPoint. This will show you the areas in which the money is to be spent. Another question asked at the last Council meeting was did we prioritize these projects and yes, we did. We had five this year of which we did three because of economic development and safety issues. They were the Carroll Road relocation with the school, church and new development out there. Amber Road which was a road and trail project that connected with the City of Fort Wayne. The other one was the Coldwater Road. We are doing Coldwater Road in phases to the county line and this was one of the phases. We have several projects that have been engineered and the right-of-way is being or has been purchased. We have no other way to fund these. We bonded for the bridges but there is bridge business every year. Road projects have been taken out of CEDIT with prioritized amounts and there is no other place because we have never bonded for roads. We still have over twelve hundred miles of roads out there.

Cal Miller: I appreciate the explanation but let's set the stage. During the pre-budget hearings, there was a change as to how CEDIT dollars could be used. The Council wanted to start looking at the County finances and not only looking at the General Fund. Now that the CEDIT dollars can be appropriated for other uses and the Council can appropriate out of the CUM CAP Fund during the budget hearings as well, the Council wanted to broaden its focus and make an overall prioritization of the expenditure of those funds. Since I have been sitting on this Council, we haven't done that. Essentially, you have told us how you want to spend CEDIT and CUM CAP. Now that those funds can be used in different ways, we wanted to become involved and make intelligent decisions as to whether we approve those expenditures or take some of those funds and do something with them. I think that is the backdrop as to what we asked you to do.

Paula Hughes: It is the job of the Council to set priority and policy for use of those funds and we have not been fulfilling our obligation in the past.

Cal Miller: Two examples that brought it to a head this year was the Sheriff's building and the voting machines. We wanted to see how you set the priorities with these funds.

Paula Hughes: Councilman Buskirk?

Roy Buskirk: You mentioned the voting machines. While Mr. Freck is sitting in the back of the room and it was mentioned at the last Council meeting that the roof was leaking, did that get taken care of?

Nelson Peters: There is about \$140,000 worth of repairs that are necessary to keep that from happening. It has not reached a critical point but if we wait too much longer it will become critical.

Roy Buskirk: So has it been patched or what?

Linda Bloom: No.

Cal Miller: Are we going to do something about it? I thought we had a three million dollar investment in the building where we house the machines.

Linda Bloom: We do and it will. Right now, we are also dealing with some repairs and ADA that we need to be in compliance with at all of the buildings. Highway will bring that up too. I think with what the Council has requested from us has made us even more aware of all the projects that are ready to go and we have no funding. We are not over funded, we have more projects than we have money.

Darren Vogt: To continue on that line of thinking though is that their question is if we have a building that has issues and could potentially cost us money by ruining machines, that needs to be a priority.

Nelson Peters: We are securing bids right now.

Darren Vogt: That is what we wanted to hear is that there is something being done.

Nelson Peters: I think a point needs to be made that now we have to scramble for those dollars whether it is to come to you or find it in our own budget. I think we will find it in our own budget but I think a lot of times a lot of these lines get looked upon as only so much was expended last year and now we have too much in those lines. Yes, we got lucky. But when we have some of these unforeseen circumstances come up there isn't just a pocket to pick from. All I want to say is that you may see some things that you think are over funded, many times it is those lines that allow us to fix roofs when we didn't anticipate those problems.

Paula Hughes: That is understandable but it is the desire of the Council to be included in that process because it is the Council's responsibility to be a part of the decision making process.

Nelson Peters: Let me offer this. Councilman Vogt and I had a discussion and what we would do is offer the opportunity that if some of the Council

members want to sit down monthly just for the purpose of discussing budget related issues, we are more than open to doing that. Perhaps that will eliminate some of the concern that we have heard during the budget hearing process.

Paula Hughes: That would be appreciated. You say you have a PowerPoint presentation. Do we have to move into the audience for this?

Roy Buskirk: Let me make a comment. The line item that was being pointed out was that last year, it was \$80,000 and then for 2006 it was raised to \$90,000. The projection for this year looks to be about \$79,000 but you have increased it to \$101,000 for 2007. That is a twenty percent excess and that is the kind of figures that Council is looking at.

Nelson Peters: Again, those are dollars that are expended only for that purpose based on the billings that we receive from that company.

Roy Buskirk: But you are missing the point that you are not looking at your budget very close. We have made suggestions in ways to save some funds but it doesn't seem to catch your attention.

Nelson Peters: With all due respect, what are the suggestions that haven't been acted on?

Roy Buskirk: They will come up this morning.

Paula Hughes: Councilman Miller?

Cal Miller: It makes our job much easier, if there is an excess in the budget, to have all the dollars available to meet the contingencies of the County and make a prioritization. I think the best way is to have those overages remain in the General Fund and then we would have a true feel of what is in the pot of money.

Nelson Peters: If I can address that, the problem is that you meet once a month. There are emergency needs that come up daily. The number that other departments that come to us to fix a roof, buy a computer or do one thing or another are issues that need to be addressed right now. We can wait another month until you meet and hope to get approval for those expenditures but with the number of people in county government and with our charge of running the day-to-day, it is not always possible to make that happen. Consequently, we have budgets to take care of those issues.

Cal Miller: I don't think we should get to the point where we intentionally over-budget. Certainly, if you can move things around to deal with the contingencies, you should. But maybe there should be a better mechanism to having those dollars.

Nelson Peters: As I have stated, I am more than happy to try to accommodate you on a monthly basis.

Paula Hughes: Councilman Vogt?

Darren Vogt: Before we move to the audience, I want to clarify one thing. The issue we were talking about was the Extra Deputy Hire. It is a set dollar amount and the number of hours that the security is used would be a set amount. It should be a fixed number that should be budgeted for that. I think that is the concern. We got a little confused with which one we were talking about but this is a set number that can be determined.

Judy Heck: We budgeted last year \$90,780 and so far for this year, we have expended \$46,550.

Roy Buskirk: But that is seven months. That would be \$79,000 which is what you budgeted last year.

Judy Heck: I was told during budget that we were to use the same numbers as last year and you would do the increases for whatever. That is how I did it. I didn't even give it a thought to change the 11-03 to anything different. The only thing I increased it by was the appeal.

Nelson Peters: What I think I am hearing is that the Extra Deputy Hire is including the \$10,400 that I approached you for in the appeal.

Darren Vogt: You said that the only thing you are expending out of that account is for daytime security.

Judy Heck: There are three departments that take out for the security guards. I don't know their hourly wage. The Maintenance Department has their timecards and I think Tony Burrus is the supervisor. It is very difficult.

Paula Hughes: But the big picture is that it looks as if there has been enough in your budget to take care of that. The Council will now take a ten minute break so that Highway can set up the PowerPoint presentation.

Bill Hartman: This is a quick overview of what the Highway Department does.

Please see the attached PowerPoint attached at the end of these minutes.

Paula Hughes: I would suggest that since it is ten till twelve that we recess for lunch and reconvene at 1:00. We will have our conversation with the Human Resources Department and finish any conversation with the Commissioners for any other funds.

Roy Buskirk: Don't we need to talk about the funding for the Sheriff's building?

Paula Hughes: We have lots of things to talk about yet. We did fund it out of the COIT Flood Control but we didn't talk about the renovations. We are recessed until 1:00. Thank you, Commissioners and Council members.

Paul Moss: Council, we are going to reconvene. Let's have Mr. Dumford from Human Resources come up and we will talk about your appeal. Is there a desire to discuss the other Human Resources issues as well?

Cal Miller: I think we were going to separate them.

Linda Bloom: Do you still need to talk to us? Nelson is in another meeting and if I need to be here, I need to cancel some appointments.

Paul Moss: What do we still need to talk to them about?

Lisa Blosser: Technology Fund.

Paul Moss: Technology Fund is it?

Cal Miller: I think the letter speaks for itself. It is the Commissioners' desire to have that maintained.

Linda Bloom: Ed Steenman needs to be present for that then. We are going to have huge expenditures. Since you have taken over some of the Refresh and all of these other things, I am not opposed to but I am only one vote. That fund shouldn't be closed because we have fees that come back into it. That huge balance is for equipment for later use.

Cal Miller: We know what the needs are and we would rather have it in one pot so we can make a prioritization.

Linda Bloom: Nelson and I don't care. The thing is that I would prefer that the fund is not closed.

Cal Miller: Is it closed if it is emptied?

Tera Klutz: It won't be emptied with the appropriation that you made.

Linda Bloom: There is a fee when they use their card to pay their bills and that goes into this fund.

Paul Moss: We are going all over the place here. We were supposed to be talking personnel and HR. Are you going to be here for a little bit?

Linda Bloom: More than a half hour?

Paul Moss: I don't think it is necessary that you are here anyway.

Darren Vogt: I think we have hit on all of those haven't we?

Cal Miller: We understand your position on the Technology Fund.

Linda Bloom: I suggested to them that the Technology Fund could be taken...

Nelson Peters: Just real quick, we have no problem with you fulfilling your function to prioritizing for the County. There is \$500,000 in that Technology Fund. There is abundantly more than that of technology related needs in the County. We may have to come back to fulfill some of the needs that we have.

Linda Bloom: I already related that to them and that you and I are on the same page even though we wrote the letter.

Darren Vogt: I think the point is that it is a pot of money and it is just a matter of how we are going to be able to manage it.

Nelson Peters: Let me ask one other thing. You may or may not be aware that we have two servers that could go down. They are ten years old and on their last legs. Just those two alone would consume the \$500,000. Are you willing to approve the replacement of those servers from the General Fund if it is needed?

Cal Miller: We would have to approve it out of Technology Fund. It would have to be an approved expenditure. The County can't operate without and we would need to address it. It doesn't matter where the money comes from. If the Tax Accounting System weren't coming out of the Technology Fund, it would be coming out of the General Fund. We could still have your problems with the servers. We would have to address that problem.

Nelson Peters: Okay.

Cal Miller: That is why we had the million dollars set aside this year and we haven't used very much of it. Next year we will have a million for capital development. We also have a Rainy Day Fund. It is just easier with the fewer pots we have to manage them.

Paul Moss: Council, are there any other questions regarding the Technology Fund?

Roy Buskirk: If the Commissioners are not going to be available this afternoon, I would like to address another issue. We are pulling money out of the Flood Fund and at the last meeting, it was mentioned that we have a stormwater issue and funding that will be needed. I know the Surveyor has come to the Commissioners about having a stormwater fee. Where are you at on this?

Nelson Peters: We haven't seen the stormwater plan yet.

Linda Bloom: I have a resolution on my desk but it has not been approved yet. As the development people meet with him, changes have had to be made.

Nelson Peters: That fund has actually not been used until this point. It was sort of collateral against the voting machines. And yes, we are requesting money out of that for the Sheriff's Building. It all ties into the discussion we just had. We have no problem funding our portion and the Sheriff's portion to that building but recognize that there will come a time that the daily needs of departments will have to be taken care of until they can come to you.

Paula Hughes: What do you think is a reasonable amount to allocate to that kind of emergency expense? I agree with the supposition that you need some kind of emergency fund.

Nelson Peters: I wish I had a real good answer for you. When Mr. Freck came to me and said we needed \$142,000 to fund the roof on the voter building, I about fell off my chair. I had no idea it would cost that much.

Paula Hughes: A lot of that can be projected. We are talking about emergency.

Linda Bloom: We also were told we needed \$60,000 for the building for air handling. These were not in our budget.

Roy Buskirk: Which building, Judy?

Judy Heck: Dan Freck just gave me a list and it needs soft starts on the units. I am assuming he means this building and possibly the Courthouse.

Darren Vogt: I guess that I see the difference in an emergency and the things we have been talking about. The Council is the fiscal body. We have to keep in mind that the Commissioners are not the fiscal body. You may have more money than most department heads because of the amount of funds you have under your control but it is our job to make sure that the decisions to spend money outside of the allocation needs to come through us and not you. I don't think that the Commissioners should be given a pot of money to use for emergencies such as a roof.

Paula Hughes: That is what I meant by minor issues. Things that pop up that could not have been predicted. You knew about that roof over two months ago. You are still getting bids and that could have been duly processed by Council easily.

Nelson Peters: I actually learned about the roof last week.

Paula Hughes: Council knew about it last month and Dan Freck knew about it a month before that.

Nelson Peters: I wouldn't ask you to create a fund to do that. All I ask is to be cognizant of the needs that many times are paid from one line even though the original intent may have been for something else. Allow us to manage the day-to-day operations of county government.

Darren Vogt: I think we are pretty flexible.

Roy Buskirk: And I think the one thing is that we still have around half a million dollars in County General for appropriations yet this year. That is where some of these emergency items are going to have to come from.

Paula Hughes: Right. Council does budget for that in the unappropriated funds.

Linda Bloom: We were told a month ago that it was like a \$5,000 repair and now it is \$142,000.

Darren Vogt: Can someone explain the difference?

Nelson Peters: I think the answer is the difference between a minor fix and getting the whole roof done.

Paula Hughes: In any case, that does illustrate the point that within these funds, if there is truly an emergency, there is not a lot that can't be dealt with.

Linda Bloom: Another thing is we are not compliant with the ADA on curbs. And we have to have that done by 2008. That could be as much as a million dollars.

Darren Vogt: Commissioner Peters, do you want to stay here for Human Resources?

Brian Dumford: I am Brian Dumford, Director of Human Resources. I would like to address the appeal that I had. The original appeal was for \$2,030. That was to augment my part time Extra Deputy Hire. Since the time of the filing of the budgets, we have done some restructuring. I need to amend my appeal to be slightly higher. Human Resources has had an opening for the Risk Manager's position. Commissioner Peters approached me about trying something new. What we have come up with is a Human Resources Attorney. This person would be in house and take care of several of the aspects in assisting the Commissioners and Human Resources. This person would be working with Bill Fishering, the Commissioners and me. If you look at the second sheet, you will see a new structure for HR. We would look at converting the part time assistant that we have to full time to assist the attorney as well as continuing to support the office.

The next page shows the funding sources. This is what we would be looking for as far as funding. For the attorney position and the full time HR position, I would be throwing in the entire salary of the Risk Manager, the entire Extra Deputy Hire and then we would get additional monies from a current county attorney position that is in the Commissioners' budget. Drainage board fees, Poor Relief fees, Sewer District fees and subrogation fees would be pulled from to fund these positions. This would give a net savings of \$26,000. Personnel Committee did approve this set up. We have the HR attorney job posted at a salary of \$50,000. What I am asking for is to take the salaries into account.

Paula Hughes: Where would the fees for sewer district, poor relief and subrogation come from in the Commissioners' budget?

Nelson Peters: The drainage board shows up in the Surveyor's budget. Poor relief attorney shows up in the Commissioners' budget. I am not sure where the sewer district is.

Judy Heck: The two from our department is 13.14 and 13.15. One of those two is Carrie Hawk-Gutman and the other is Tom Hardin.

Darren Vogt: We would have to pick up the benefits that go along with those and that would make it \$7,000.

Paula Hughes: Can we count on the Auditor's office to work with the Commissioners to make these changes?

Lisa Blosser: Yes.

Brian Dumford: This is the reason that the HR allocation was increased.

Cal Miller: The overall financial impact is a decrease in expenditure of \$26,000 and change?

Nelson Peters: Probably. And that is a minimum.

Paula Hughes: Commissioner Peters assured the Personnel Committee that this is the first step of many that he would be taking toward the revision of the county attorneys.

Nelson Peters: This will get us towards where you want to be.

Cal Miller: Thank you for getting us moving in that direction.

Nelson Peters: We are still considering other possibilities with respect to county attorneys.

Paula Hughes: Council any further conversation or discussion about the Human Resources appeal? Okay, thank you. Do we want to have a conversation about the reclassification? We have heard all of the appeals. We have set aside in our budget \$1,896,221 set aside to address reclassification and wages as well as any appeals. That number revised from yesterday, shows in the Council budget but does not reflect the amount that was stripped from the County Assessors budget. The assessors' budgets have been restored to last year's figures.

Roy Buskirk: But we have to trim the budget by \$228,000?

Darren Vogt: Correct. \$228,128 is what I have.

Paula Hughes: That revision includes full funding of all of the appeal requests. We know that the Commissioners' appeal request. It was reduced to

\$4,700. During our conversation this morning, we found several spots that they proved they may be able to transfer funds.

Paul Moss: That should be reduced to zero.

Cal Miller: But with the understanding that we were all receptive to passing a salary ordinance for the position to assist the Veterans Affairs Officer.

Paula Hughes: Correct. We are to remove the Human Resources request and increase the General Fund available by the \$26,337. Correct?

Roy Buskirk: So the number we need to reduce is the amount of the \$26,000.

Darren Vogt: Are you ready to roll with numbers or do you want to take five minutes to set up?

Paula Hughes: Yes, let's take a five minute recess. We are resuming the discussions about the appeals and their impact on the General Fund. Looking at the cover page of the revised budget that we received this morning, we had a revised amount to cut the budget by \$228,873. Removing the request from the Commissioners and Human Resources and increasing the amount that the Commissioners are giving back for the HR attorney, what is the new figure?

Jackie Scheuman: \$185,556.

Paula Hughes: Okay. Council members what is your pleasure? We can talk about the wages and reclassification project or the appeals. Since we have already started on appeals, do you want to just finish that? Let's talk about the assessors' appeals. We have an appeal request from the Aboite Township Assessor of \$109,832. Do we wish to distribute reassessment dollars to the township assessors for part time help?

Darren Vogt: I would agree with that?

Patt Kite: I would agree with that.

Paula Hughes: How is that number reflected in the Reassessment Fund? Is that part of the overall Extra Deputy Hire with just an internal agreement from the County Assessor?

Lisa Blosser: \$150,000.

Cal Miller: Is that how we did it last year? There was an agreement last year but I don't think we have that worked out yet. I think if we are going to grant Mrs. Berghorn's request, we can just say that she has been allocated \$5,000. We can go to the Reassessment Fund and decrease it by that amount. We should agree or not agree that Mrs. Berghorn gets the \$5,000. I don't want it to be tied to going to the County Assessor.

Darren Vogt: We should create a direct appropriation for that township.

Paula Hughes: Do we have a spreadsheet that shows how the funds were distributed out of Reassessment? What we are doing is making an appropriation outside of the appeals request. We have to vote on it twice. We have to formally vote on today and in September. If we are going to make appropriations that are not requested by the department, then the process is that we have to vote on it twice.

Cal Miller: Then let's make a list of those that we will have to do this with. To move on, I would move that we grant \$500 General Fund increase for certification.

Darren Vogt: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0.

Cal Miller: With respect to Aboite Township, I move to appropriate \$5,000 from the Reassessment Fund for 2007.

Paula Hughes: Is it possible to get the list of funds that were appropriated to the township assessors from the Reassessment Fund last year for Extra Deputy Hire? What we will do is formally make it a part of the Reassessment Fund and that way you won't have to go to the County Assessor for those funds. We can vote on them in mass. **We had a motion but no second so it dies for a lack of second.**

Moving on to the Perry Township Assessor's request, we had a conversation with Ed Steenman and he said the laser printer should have been in the County Refresh program. That leaves us with decisions to make on the office remodel and the cameras. There are a couple of assessors that have requested the remodel type of things. Councilman Buskirk?

Roy Buskirk: On the remodel, with the current space study in place, I think there should not be permanent built in workstations because of the fact that you don't have any flexibility of moving them.

Paula Hughes: Councilman Vogt just reminded me that Omni source, with its move, has a plethora of workspace equipment. Again, it is used but it is newer than what you have now. That could be an opportunity with the major remodeling. Judy?

Judy Heck: We purchased some of the items from Waterfield Mortgage. I think it was ten. Dan Freck may still have those in storage.

Cal Miller: With these requests, I think we ought to consider these when they come forth as capital requests. I think we would be receptive to it if we had all of the facts instead of a raw number.

Paula Hughes: I would suggest that the request for the cameras be made this current year and not wait for next year. That can be capital expenditure out of the current year instead of a budget item for next year. That takes care of the three items being considered for the Perry Township Assessor. The Washington Township Assessor looks like the same types of issues. For Wayne Township Assessor, they had a \$15,000 request for part time help. That was funded as well through the Reassessment Fund?

Darren Vogt: I think we addressed that issue when we addressed the rest of the Reassessment Fund.

Paula Hughes: They had a request for \$584 for supplies and printing but they withdrew that. So, for the assessors, we have found other ways to deal with all of the requests except for the \$500 for certification. And that will come from the General Fund. So, going to the County Assessor, she has a \$51,583 request to move the Chief Deputy from the Reassessment to the General Fund. Councilman Vogt?

Darren Vogt: It would be my recommendation that we do that and then cut one of the Chief Deputies since they currently have two.

Paula Hughes: We could leave the Chief Deputy in the General Fund and delete it from the Reassessment Fund. That seems the cleanest way of doing this. We are not funding the request to move the second Chief Deputy from the Reassessment Fund to the General Fund. They should have already moved that from the line in the Reassessment Fund.

Roy Buskirk: Since Pat Love just showed up, you want to catch her up to date on what we are doing?

Cal Miller: We are just doing our budget wrap up.

Darren Vogt: At this point, that would be the liaison's responsibility and I will handle it after the hearings.

Paula Hughes: We have a \$1,000 for consideration for maintenance agreements. Is this being removed from Reassessment to General or is it this an increase in General Fund? The assessor currently has \$7,116. Year-to-date, they have only spent \$926. So the \$1,000 would actually be a decrease.

Cal Miller: I move for \$1,000 allocation out of the General Fund for the maintenance agreement for the County Assessor.

Paul Moss: Second.

Paula Hughes: **We have a motion and a second, is there any further discussion?** Judging by this, the maintenance agreements has been adjusted by \$6,000. Is anybody following my line of reasoning? Are we giving an increase when they haven't used the amount they were given last year? I see they funded that line through encumbrances last year. Let's see if they can get it through encumbrances next year and if they can't then we will know what money is rolled over. In January or February we can appropriate if we need to.

Darren Vogt: We have a motion and a second.

Paula Hughes: **We have a motion and a second and discussion. All those in favor, signify by saying aye. All those opposed same sign. The motion does not pass 1-6.** Does that complete the assessors' appeal requests? We have approved \$500 of the \$109,832 that was requested. I have just received the list of reassessment funds. The breakout last year, if the Council wants to instate a line item for each of the townships, it would be \$5,000 for St. Joe Township, \$5,000 for Perry, Aboite and Adams. Last year, Wayne received \$15,000. Washington received \$8,000 and Cedar Creek \$10,000.

Darren Vogt: Do we want to have this discussion about the Reassessment Fund?

Paula Hughes: What other discussion are we having about the Reassessment Fund?

Darren Vogt: I don't know.

Cal Miller: I thought there was some concern about the Extra Deputy Hire had increased from \$30,000 to \$150,000.

Paula Hughes: All right. We can put this aside and talk about it later or right now. While we are thinking about the assessing community, it might be good to consider them both. Those budgets are so interdependent.

Darren Vogt: As the liaison, I have not had a discussion as to the usage of the Reassessment Fund and the Extra Deputy Hire. That is the biggest glaring increase. The year-to-date is \$27,000 and yet the budget was \$104,000. They are looking to increase it again by another \$40,000 and change.

Paula Hughes: Councilman Miller, I believe you had a comment.

Cal Miller: That is the issue that jumps off the page. While we are talking about funding the township assessors Extra Deputy Hire out of the Reassessment Fund, I thought that it made sense to look at the County Assessor's Extra Deputy Hire request. Our overall concern is the long-term health of the Reassessment Fund.

Paula Hughes: We do not have a way to determine how much of the \$27,933 was expended by the township assessors and the County Assessor. We do know that some of them took advantage of it and some did not. The total for the township assessors last year was \$53,000. So clearly, all of the township assessors have not taken advantage of that.

Cal Miller: Last year's 2005 actual of \$38,000, where there was no direct allocation to the township assessors, would be a good guide for what the consumption would have been for the County Assessor.

Paula Hughes: Was some of that work being done by the Assessor's office for the township assessors? And last year when we moved to place it in their control...

Cal Miller: No. This is strictly Extra Deputy Hire.

Tera Klutz: They will have more responsibilities in the County Assessor's office and you should leave a little cushion in there. They are taking on some of the duties relinquished by the township trustee/assessors.

Paula Hughes: Is there a corresponding decrease in the trustee/assessor salaries for giving up some of those duties? Somebody asked me about that this morning.

Tera Klutz: Legally, yes, there is supposed to be according to the amount of real estate assessing that they do. A lot of them are still doing personal property though.

Cal Miller: I make a motion to reduce the Extra Deputy Hire in the County Assessor submitted budget from \$150,000 to \$55,000. At the same time, provide a line item for the township assessors in the amount discussed that totals \$53,000.

Darren Vogt: I will second that motion.

Paula Hughes: That motion does include to appropriate funds in a similar manner for the township assessors?

Cal Miller: Right.

Darren Vogt: I would make this comment that the concern that I have is the usage of the funds. I don't show where we are using them even though we are appropriating them. This will be a key issue to watch.

Cal Miller: That is the difficulty of the job that we have is that if we want to get a more firm understanding of the health of the Reassessment Fund, we need to stick in a realistic number for what the consumption will be annually. The closer we get to a real budget figure, the better opportunity this Council will have to understand and prepare for any situation where that becomes in jeopardy. Until we do that, we won't know how real this problem is.

Darren Vogt: The only way to continue to do that is by cutting the amount of money that we appropriate. If we don't spend the \$55,000 in the 2007 budget, then the 2008 budget will need to be cut even further until we find out what that threshold is. I don't mean to hamper the assessment process but we are trying to come up with the real dollar amount budget-wise and the only way to do that is to make cuts and if they need more money they can come before us.

Cal Miller: Did we actually vote on this, yet?

Paula Hughes: No but please hang on a second because I am doing some math. If my calculations are correct, the amount to appropriate for the County Assessor is \$55,000 and \$53,000 for the various township assessors.

So the \$150,000 minus those two turns that number into \$213,875 less that the Reassessment Fund is from the approved 2006 budget. So that is certainly a move in the right direction.

James Ball: Was the motion \$55,000 or was it \$50,000?

Cal Miller: \$55,000.

Paula Hughes: So a decrease of over \$200,000 of expenditures in that fund is significant.

Darren Vogt: Some of that was actually shifting to the General Fund. From a philosophy standpoint, it was a shift and not a reduction.

Paula Hughes: And I think that it might go a long way towards alleviating the stress that was on the Reassessment Fund. I think it was in the neighborhood of over-expenditure that we were experiencing each year.

Tera Klutz: It was actually over-budgeting. We were never really worried because luckily they do not spend unless they need it. The expenditures have not been high.

Paula Hughes: So we are just making the budget tighter.

Cal Miller: Right. To give us a better tool to predict the actual expenditures versus the revenue.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0.

Cal Miller: Moving on the maintenance agreements in the Reassessment Fund, line item 36-07, it is another one that was \$5,000 last year and year-to-date expenditures is \$71,000...

Jackie Scheuman: That is because they pay the all of the maintenance for all of the township assessors.

Darren Vogt: So it is for the copiers and everything?

Lisa Blosser: Wasn't there a problem with software?

Cal Miller: So that one mirrors more reality since they picked that obligation up last year?

Darren Vogt: I think that is something that will get addressed with the study on the copiers.

Tera Klutz: The computer software line, 29-03, Pat Love had been here before for a transfer because she had accidentally budgeted the maintenance agreement in the computer line.

Paula Hughes: Oh, that's right. So that is just a switch between those two.

Cal Miller: Then on the consulting services, that is another one that jumped off the page a bit. We did have a presentation yesterday about the legal costs that are on the horizon.

Paula Hughes: But they also said that there is a real possibility that this real expense won't come until the year after next.

Darren Vogt: 2007 and they can encumber what they don't spend in 2006, right?

Paula Hughes: Absolutely. And they have a \$75,000 budget. They have \$70,000 sitting there right now.

Cal Miller: That is another one that we ought to do something with and we could have them come back and ask for an appropriation later. If that does roll over, we are talking about \$130,000.

Darren Vogt: Keep in mind that they did say that expert witnesses were a potential \$20,000 expense.

Cal Miller: Right but I would like to be a more involved part of what those expenditures are.

Darren Vogt: I will make the motion that we drop the line 31-06 consulting services down to \$10,000.

James Ball: I second that.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0.

Paul Moss: I have a question on the maintenance agreement comment and that all of the assessors are basically being handled out that line item. Is it

safe to assume that we go back to each of the other assessors and that line would be zero?

Darren Vogt: It should be zero.

Paul Moss: And then on the group health insurance is that coming from somewhere else now?

Tera Klutz: Yes, they are budgeting people that don't take insurance. So, no, it is not going to come from anywhere else.

Cal Miller: The other line item under the 300 series, contractual 31-13, what is paid out of that? Looks like year-to-date has been thirty-five and next year is budgeted for sixty.

Paula Hughes: Last year's expenditure was \$161,000.

Cal Miller: I am not making any recommendations, I was just curious.

Paula Hughes: Any further discussion on the Reassessment Fund?

Cal Miller: There is also the board of review, PTABOA, and you can see there that they have consulting services again.

Paula Hughes: I thought that this was the one we made the motion on.

Cal Miller: Oh, I am sorry. That is correct.

Paula Hughes: All right, moving back to General Fund consideration. We have a request from the County Extension Office for appeal of \$5,000. Councilwoman Kite, as liaison, do you have a comment on that?

Patt Kite: This is the second year that they have approached us about this and while it is not a state mandate, it is something that they are going to have to do one way or another. I understand Councilman Vogt's concern that government might not be funding some of these services but I do see it as a community service that does hit all of our population. I would be in favor of granting the \$5,000 to them.

Paula Hughes: My comment on this would be that we have granted increases for the County Extension Office for the past two years which amounts to \$17,748. I know that some of that went to increased building expenses, which is beyond their control. It seems that in the travel budget they increased in 2005 to 2006 just over \$2,000. And they increased their office/computer

equipment budget by \$1,000. I agree with Councilman Vogt about the concerns about the overall utilization of those services. I think there is a lot of duplication. Certainly the 4H program is not duplicated in the county and is a very valuable asset. But I feel that we have witnessed a reluctance on the part of the County Extension to realize that they can align this budget in anyway they see fit. They are reluctant to shift funds in the line items. We have given them increases for the last two years and they have not chosen to spend it on the educators' salaries. We granted an increase of \$4,250 this year.

Darren Vogt: Council I would suggest that we reduce their allocation by \$17,301.50. If you recall, in the conversation, he said that if he does not have the \$5,000 he would have to go to a part time educator. I took the full amount of all of the educators that they have which is \$127,315. I divided that by five and that was \$25,463. Then I took half of that as a part time educator and then added the \$5,000. That came up with \$17,301.50. I would make a motion that we cut their allocation by that amount.

Patt Kite: I will make that motion.

Paula Hughes: We have a motion do we have a second? The motion dies for lack of a second.

Cal Miller: I see where you are coming from Councilman Vogt. If we did that, then we are truly not allowing Mr. Talbot the last opportunity to make some internal shifts.

Darren Vogt: When you appeal your budget process as a department head, you open your budget up to complete scrutiny. It is my feeling that some of the programs that they offer are duplicated within this community. The only way for them to understand that is to cut their budget. He had every opportunity to not appeal this and there would be no attempt at cutting. So following his logic that they would have a half-time educator loss, that is how I did that.

Cal Miller: Your rationale is as air tight as it gets. I am not taking issue with that at all. I guess that I just don't have the same degree of guts that you have.

Paula Hughes: Councilman Moss?

Paul Moss: I don't think we should be stating it so strongly that you are opening yourself up to scrutiny when you appeal. We should be cautious in terms of how that scrutiny manifests itself. If you look at the discussion we

had earlier with the Department of Children and Family Services and the amount of money they spend, there is an amount of duplication that their services provide. What I would like to do is have some leverage with them for some kind of program review but I am not sure how to do that. I don't think your approach does that. I think that denying the additional \$5,000 might do that.

Paula Hughes: We have a motion on the floor. Is there a second?

Paul Moss: What is the motion?

Paula Hughes: The motion that was made by Councilman Vogt. Okay, the motion dies for lack of a second. We had a motion and a lack of a second for Councilwoman Kite's part. Is there any further discussion on the County Extension Office? Hearing none, we will move on and discuss the appeal by Superior Court.

Cal Miller: As I understood, the Superior Court CHINS request is completely reimbursed. Do we have a revenue stream coming in to show that as a wash?

Paula Hughes: The revenue was already accounted for in the funding although the request was not. We can't wash it in our totals. We should not have been considering that as an appeal. So what is your pleasure for the CHINS budget?

Cal Miller: Move to approve the CHINS budget of \$70,688.

James Ball: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0.

Cal Miller: Are there two other pieces to this?

Paula Hughes: Yes, there is one other for probation officers' steps and the new position for a total of \$27,118. In our conversation with them yesterday, there was a deduction of \$12,500 so the total request was \$14,618.

Darren Vogt: I thought the \$14,618 was the new position and not the steps.

Cal Miller: The probation officers are less than \$1,000 each. Maybe we should take those separately.

Darren Vogt: The new position is \$14,618 with the return of ...

Jackie Scheuman: I included the two steps, in the probation officers, in the step total.

Cal Miller: So what is before us now is the \$25,301 minus the \$1,250.

Paula Hughes: So that is already funded?

Jackie Scheuman: It is part of the one point eight that we set aside.

Paula Hughes: So let's formally approve that, if we are going to.

Cal Miller: Move to approve the probation officers steps.

Paul Moss: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0. We have for consideration, a Court Service Specialist for \$12,801. In 2005, we increased their funding by \$313,590 but 290 of that was courthouse security. In 2006, the increase was \$120,208. They received \$86,208. Has this position gone through Personnel Committee?

Darren Vogt: It has but it has not been back yet.

Brian Dumford: It did come to Personnel Committee but I have not finished with it. I do not have issue with their numbers though.

Paula Hughes: Okay. We could say that we support the salary ordinance for this position but not the funding and have Superior Court consider finding the funding within their budget.

Paul Moss: They have \$45,000 budgeted for overtime that could be one area for them to look at.

Cal Miller: I think Mr. Noble and Judge Gull may have said that this is a position that they desperately need considering some of the services that are being sent through Mr. Noble's office. They said they would be willing to find the additional funding. I would be in favor of passing the salary ordinance when the time comes so that they can have that position.

Paula Hughes: I don't think we can make a motion on a salary ordinance without the exact amounts.

Darren Vogt: Then we can make a motion to agree to support the salary ordinance when it comes before us.

Cal Miller: Then that is the motion.

Darren Vogt: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0. That brings us to the end of the General Fund allocation appeals. What is our total now, Jackie?

Jackie Scheuman: \$46,254 that still needs to be cut.

Paula Hughes: We could consider moving that amount out of the Council's line item, 19-92, which is the \$1,896,221.

Cal Miller: This also may be a good time to have a discussion about passing a budget in 2005 that doesn't max out our levy. Despite the fact that even if the budget that we pass is even close to the what the levy provides us, it would be a moral victory over the four years of hard work that the members of Council and county government have taken to get the county back on firm financial footing. Even if it is small amount that isn't even noticed by the taxpayers, it is a big step in the right direction. I think we should strongly consider passing a budget that doesn't max out the levy. We could continue to work to make that a goal for each of the coming years. We also don't want to shortchange ourselves. As I understand it, the levy is decreased by 50%.

Tera Klutz: You get up to 50% back one time.

Cal Miller: Before we close this session today, I would like to have some discussion about this. This is not something that the taxpayers are going to see in their pocket. It would be modest but it would be a step in the right direction. We have a solid amount in the Rainy Day Fund and we have appropriated funds for capital expenditures. This would be the time to mark a milestone in our four-year journey that took us from financial crisis. I would open this up to any other thoughts.

Paul Moss: I agree that even if it is not noticed, it is the right direction to be going. I believe we are grossly overtaxed due to the incremental increases in a variety of areas but I am curious as to what sort of number you are thinking of.

Cal Miller: Before we could get there, we would need to decide one more piece of the puzzle. That is what are we going to do with the salary study? I would throw out something like half a million dollars.

Darren Vogt: I think we need to finish our budget considerations. One of the considerations left is the reclassification and our SAM/EXEC's. I would like to turn the conversation to where we need to spend money and then find out where we need to be and what we would end up with not maxing out the levy.

The issue before us has been the reclassification process. The issue that started the impetus behind the whole process is that we currently use the Oliver System. However, our executives were not placed on any kind of grid. What that created was a fact that an executive did not get any bump in pay. They were only tied to our system that whenever the County Council decided to create an increase in salary. The problem is that there is a grid in the Oliver System that places the EXEC's on that grid. It is my recommendation that even though we don't have the process in place, it is a component that we have to get in place before we can even get to the bigger picture of the reclassification. This is something that we need to implement this year. I don't have the SAM/EXEC grid with me.

Brian Dumford: The SAM/EXEC grid was handed out at the end of the day yesterday. There are seventy-four people to put on the grid. It is the cost estimate based on preliminary estimate as to what it would take to put Chief Deputies elected officials and the people who were originally part of the previous EXEC classification and the KEL study onto a grid.

Darren Vogt: The reason that is important is that even if we make or don't make the changes, these people would be on a grid.

Brian Dumford: Putting them on the grid would reward them for years of service and they would be based on the compensation policy we discussed.

Darren Vogt: If we agree to do this, then the next step would be how to fund it. Also, would it be a phase in or all at once?

Paula Hughes: Are the elected officials included in this analysis?

Brian Dumford: Yes.

Darren Vogt: As a member of the Personnel Committee, we have attempted to not look at the salary and the amount of increases as they are. We looked at them as overall merit job for the pay.

Paul Moss: Are you utilizing Ken Lewis' information or what as to where these people need to be?

Brian Dumford: The only thing I am using from Ken Lewis is the actual positions that make up the seventy-five.

Paul Moss: For the seventy-five positions, is the \$685,000 for the total change in salary?

Brian Dumford: That is to move these positions onto the grid. Since there is no current step grid for EXEC's, I took the grid amounts that Mr. Temple put forth to establish an EXEC grid and I overlaid those dollar amounts on the grid structure. The change in salaries represents the existing salary and the proposed salary. There are nine positions that would be redlined because the proposed salary would be less than what they are making now. So the total cost would be \$722,789.

Paul Moss: If this was implemented, what would be the top increase that someone would get?

Brian Dumford: Because we are implementing longevity and there are a number who have been with the county a long time, it is above the 21% for some of them.

Paul Moss: Then for the confinement officer, the 140 are not sworn officers, right?

Brian Dumford: The reason we did the confinement officers was because of turnover. The 140 is confinement officers, civilian corporals and does not include the sworn officers.

Paul Moss: I want to make sure that we are not applying the turnover concern to more people than we need to. We have all agreed that there is a high turnover in confinement officers and want to make sure we are not applying that thinking to other areas. I am going to need to see some more detail concerning the grid and maybe in a different setting than this meeting. I need to understand it a lot better than I do right now. I would rather set some money aside to address this.

Darren Vogt: I know it is a conjunctive issue but it is still a separate issue. At this point, you are talking about confinement officers under the reclassification where this is completely separate because it is putting them on the same playing field by putting them on the grid system. The next thing is to analyze the equities.

Paul Moss: You wouldn't have to do that for the EXEC's. What you are talking about doing with the confinement officers is putting them where they should be on the grid.

Darren Vogt: I am not even considering that. I am considering whether we need to address the executive positions and putting them into the current grid system. The other is a separate issue.

Paul Moss: My point is that the SAM/ EXEC component would essentially be complete. I just want a grasp of all of this if possible.

Paula Hughes: I have a comment as well concerning the SAM/EXEC's. I have a problem with putting the elected officials on a step grid and rewarding them for years of service. I would not support it. If we were having trouble recruiting for elected offices, that would be one thing. That is the rationale we are using when we talk about the confinement center.

Patt Kite: You also have elected officials who have term limits. That would limit their grid status.

Paula Hughes: Not necessarily if they go from one office to another.

Brian Dumford: That is why the compensation policy was proposed.

Paula Hughes: Someone brought up yesterday, that Council members should have a level pay. And I don't think elected officials should have a grid.

Cal Miller: These are fairly large numbers if we were to put them on the system. Ultimately we have to justify spending this money. We have to be convinced that we are doing this to better serve the taxpayers.

Paula Hughes: Let's take a ten minute recess.

Paula Hughes: We are ready to reconvene. Councilman Buskirk will rejoin us in a bit. We were in the midst of a discussion of the grid for the SAM/EXEC's and an increase for the confinement officers.

Darren Vogt: I think the point is that we are not there yet. We need to gather all of the information and we can then complete the puzzle. We can then make the decisions. We should leave the money there until we are ready.

Jackie Scheuman: What about step increases?

Darren Vogt: I don't think we fund step increases at this time because we can always retro back at any time. And those are included in the one point eight.

Cal Miller: We haven't changed anything in our system yet so why wouldn't we fund step increases?

Darren Vogt: If we are contemplating reconfiguring everything for next year, why would we go ahead and fund steps. Plus we can always do the steps if this does not get resolved.

Cal Miller: So that we don't send a panic through the building, we will do the steps if we don't get the reclassification process completed.

Darren Vogt: Correct.

Jackie Scheuman: Could I ask one more question? You funded the two probation officers that were mandated steps in Superior Court but there are quite a few in the juvenile center and Circuit Court that are mandated minimums. They did not ask for appeals because they were told not to include steps.

Paula Hughes: Okay. And these are state mandates?

Lisa Blosser: Yes.

Paula Hughes: Then we should be consistent with our earlier decision and with the state mandate. Since we are leaving a lump sum in County Council budget, we could figure that out by September.

Brian Dumford: I don't understand what Councilman Vogt is saying. If we are not making any adjustments to our system at all pending the completion of the study, I think the people who are set to get the step increases on January first, should get them. Is that what he was saying?

Paul Moss: I don't think it was that at all. He was looking at the confinement center analysis and the SAM/EXEC's. I think I am hesitant to say we are going to move forward based on a one-page summary sheet. We need more information. I believe that was the direction that Councilman Vogt was going. Since this is only August, we have some time, in case this all falls apart to say that we are going to fund the step increases.

Tera Klutz: We would have to cap a salary ordinance that includes that step increase amount which can be done up until December. Administratively if we wait that long it would be tough.

Jackie Scheuman: We haven't touched any of the salary lines so there are still steps in there that don't need to be there. Such as the people that have left.

Cal Miller: The way it is understood is that if we don't change it, it will be funded. We have the money in the budget to make those decisions when we need to.

Paula Hughes: So we have decided to postpone further discussion on the reclassification process until we have more information. Council do we want to look budget by budget? We have not done an examination of the CUM CAP, CEDIT and COIT Flood Control budgets. To be consistent, we should look at them. We need to have a vote on the Technology Fund.

Cal Miller: I make a motion to fund out of the Technology Fund, the tax accounting system, the amount of \$468,000.

Darren Vogt: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 6-0-1 (Roy absent). For the CUM CAP Fund, it would appear that the 2007 submitted budget is \$679,000 higher than 2006. The revenue from 2001-2005 has fallen by 2.5 million dollars.

Cal Miller: What would cause that?

Tera Klutz: That is a fixed rated fund. There are other revenues that go in there as well such as from Byron Health, the loan repayment from Metea Park, or if they sold a building. The average property tax revenue is around three to three and a half million. But that is a fixed rate on an assessed value.

Paula Hughes: We had a lot of conversation about the Commissioners' use of this for the Highway Department. Now would be the appropriate time to talk about the Council's oversight on this.

Judy Heck: 31-46 and 31-55 are the only two I believe that was out of CUM CAP for Highway.

Paula Hughes: Is this a fund that we need to appropriate a certain amount? Or can we decrease the levy by not appropriating?

Tera Klutz: This is a fixed rate fund. We can always decrease the levy and then you would have to go through some special hoops to re-enact it. You can always decrease it but you don't just get that back. You can reduce the budget and still not reduce the levy. There are so many factors that go into the levy. You would have to decrease the levy by a certain dollar amount.

Cal Miller: I am not sure how to get at the Highway having a million dollars less in revenue and still having significant responsibilities.

Paula Hughes: What I was trying to get at was that the Commissioners were supplementing the funds available to the Highway Department with CUM CAP. If you look at the analysis, you can see that in 2004 CUM CAP contributed \$376,000 of the budget. In 2005, that jumped to \$1.993 and the 2006 was projected at \$2.226. For 2007, the submitted budget is \$750,000 and that doesn't account for encumbrances.

Cal Miller: If we were to reduce the Highway budget, where would we put the CUM CAP dollars?

Paula Hughes: It appears that we can not appropriate the correct amount without leaving it open for transfers within series by the Commissioners.

Darren Vogt: We could ask them that if they have any transfers, they bring them before us. Also, if we institute the monthly meeting cycle, that will keep us in the loop.

Cal Miller: Isn't this discussion a thought that there should be further evaluation into whether the Highway budget should be reduced for the reasons stated earlier? Less revenue and less responsibility.

Paula Hughes: Absolutely.

Paul Moss: Is that the issue or is it having more control over where those dollars go?

Paula Hughes: Both.

Paul Moss: I would like to think that the latter could be resolved in a different manner than what we are looking at right now such as increased communication. The other piece, I am not sure how to get around.

Cal Miller: Perhaps we ought to use 2007 and take the Commissioners up on their offer to become more active participants.

James Ball: I would concur with that. I also look at one more thing with Major Moves coming in 2007. We see the trends coming, let's prepare.

Cal Miller: I agree. This Council has put the Highway Department on notice of the concern of dwindling revenue. I am comfortable leaving it like that and taking the Commissioners up on the communication.

Paula Hughes: I would like to send a stronger message in that we should transfer and restructure the 2007 submitted budget that would move the \$1,050,000 out of highway related projects into the ADA line.

Darren Vogt: If they can transfer that within there, are you just showing them that this is the priority?

Paula Hughes: Yes.

Darren Vogt: I think we are micro-managing. I am okay with it either way but if they can move the funds within there, aren't we micro-managing?

Paula Hughes: If we leave as is, we are leaving a budget intact that is allocating CUM CAP dollars to structure repair, maintenance and right-of-way acquisition projects. That is the message that this Council wants to send...I think we should be stronger about it.

Cal Miller: Going back to the analysis about the million dollar decrease in revenue.

Paula Hughes: And the tendency of the Commissioners to supplement that budget rather than address deficiencies within the department. This is the first year that we have had this level of conversation with the Highway Department. I guess that there is a certain amount of good faith that is necessary.

Paul Moss: This is a first good step. The discussion indicated a higher level of interest in this. We do have some change in the Commissioners' office in January and that is another step. I would prefer to leave as is.

Cal Miller: I do understand where you are going and it sends a strong signal. I am comfortable with the point of leaving it one step short of that. I would like to see how this shakes out and they are on notice that we can't have this continue.

Paul Moss: Are our hands tied for the rest of the year?

Paula Hughes: They can transfer within that budget however they see fit.

Darren Vogt: Yes, we can't appropriate out the fund unless they come before us. This is the only time we can appropriate is at budget time.

Paula Hughes: Even if we make an appropriation, they can still transfer the money without and if it is within the series, they don't have to come to Council.

James Ball: I think our discussion has emphasized the point.

Paula Hughes: All right. Moving from the CUM CAP to CEDIT budget. We have many of the same issues in CEDIT.

Darren Vogt: If I recall right, this is where they have to have a contractual line when they do a job and they can't move it into a line until they have bid the process.

Paula Hughes: A couple of projects that we should talk about are the Downtown Improvement District approached us about a three-year commitment and the Commissioners suggested that the request for \$75,000 come out of this year's budget of General Fund. Council had consensus that it was more appropriate to come out of CEDIT. The Commissioners have not included that in the CEDIT budget. Does Council wish to create a line for the DID and express a three-year commitment for that support?

Tera Klutz: Judy (Heck) thinks that it is under Economic Development. That would be on page 201.

Paula Hughes: I am on page 201 and there is a pool and there are several entries listed expressly...

Judy Heck: That would come out of the \$500,000 at this point. This was discussed after the budget was submitted.

Cal Miller: Okay, let's make it a separate line item if that is what Council wants to do.

Darren Vogt: Shouldn't we also do that for the other project that was committed to be funded, the Regional Approach to Economic Development? Is that still a commitment that is out of the \$500,000?

Nelson Peters: That will have to be because there is no other line for it.

Judy Heck: If they chose to do it but I am not sure they have come to a conclusion for it.

Darren Vogt: It has been approved.

Judy Heck: Then they will have to come out of there.

Nelson Peters: That came about after this budget was submitted also.

Paula Hughes: What commitment did the Commissioners make?

Nelson Peters: \$50,000 over the next five years. That is per year over the next five years.

Darren Vogt: So we would have to break that down and add an additional line item for those two items.

Judy Heck: And I always do that. I like to make specific line items for specific things so I know when they end.

Paul Moss: Of that \$500,000, can you repeat for me what the breakdown is?

Judy Heck: First of all, we will take \$50,000 and we will take \$75,000 to create line items for Regional Marketing and the Downtown Improvement District.

Paul Moss: So you have \$375,000 left that goes where?

Judy Heck: That is the incentive pool.

Nelson Peters: Hopefully some of that will go towards the Shovel Ready project on Zubrick Road. We fell short by \$700,000 and we would hope that some of that would go towards finalizing that.

Paul Moss: As everyone recalls as well, I brought up the desire to use some of the CEDIT dollars for the upcoming zoo project. I would still like to see that happen. We can debate all day what is the appropriate expenditure amongst all of these including the Shovel Ready project. There is no way to win that argument on either side. I would still like to have it considered. I guess I am at fault for not laying additional groundwork between the allocation discussions and now. I think everyone would be hard pressed to find another entity that has consistently sustained such a top-tier position for drawing people to this community.

Paula Hughes: What was the amount of the request?

Paul Moss: There was no amount. What I would like to see is for the County and the City each contribute \$500,000 to the project. I have had conversations with members of the city administration and they are actively engaged in looking at ways to do that. Whether that \$500,000 is over a period of years or whatever, there are varieties of ways to do that.

Paula Hughes: Is this the last year for the Grand Wayne Center?

Tera Klutz: 2007.

Paula Hughes: So it is possible to consider rolling an allocation for the zoo onto the rolls of CEDIT when the Grand Wayne Center falls off.

Paul Moss: Which would then be 2008?

Cal Miller: When are these improvements going to take place?

Paul Moss: It is two years of improvements that are going to take place. The end of this season will begin some demolition and next season the African Veldt will be closed and then the following season will still be closed. It would be two seasons of it being closed. I think it would be a strong commitment by the County to offer to contribute \$250,000 over two years.

Cal Miller: Could we get a presentation by the zoo?

Paul Moss: I would be happy to make those arrangements. And I would like to have some additional conversations with the Commissioners.

James Ball: Commissioner Peters, could you please clarify the Regional Marketing commitment?

Nelson Peters: \$50,000 per year over five years.

Paula Hughes: And the Downtown Improvement District commitment?

Nelson Peters: I believe that was \$75,000 over three years. That is the request but the commitment has not been made. But that would come out of the Incentive with Economic Development.

Cal Miller: And what is the status of the discussions about that commitment?

Nelson Peters: I think there was some agreement to try to make it work but there haven't been any signatures on the line. I think we may have suggested \$50,000 a year for three years.

Paula Hughes: I have had a conversation with the Downtown Improvement District and they understand that it would be acceptable. We did express support of the program and we said that we would make an appropriation out of the CEDIT budget for 2007. I believe that Council made a commitment but I don't recall a dollar amount. I think we should create separate line items for both the Regional Partnership and the DID. I also think we should make transfers and have a little bit more impact. The bituminous and aggregate supplies are \$1.885 and another \$200,000 for right-of-way acquisition and geotechnical studies. I think we should consider another project that we have talked about concerning the Shovel Ready sites. There is a steering committee and we have the one site near the Vera Bradley property that has been endorsed by the state as a shovel ready site. There is a project underway locally to more firmly identify the sites throughout the county. When the Alliance has a prospect coming in, they almost have to recreate the search process each time. There is a proposal that the staff of the City Economic Development and the Alliance could be the work horses on the search process. There would be expenses in Phase One testing, in soil testing and developing a web based data base that collects all of the information. It is an important priority and could set Allen County apart, not only within the state but also in the country. Nationwide, this is what site selectors are looking for.

Darren Vogt: I am not as comfortable as you are about putting a line item for that. I am not sure how we handle that.

Paul Moss: Are you suggesting taking this from aggregate and bituminous?

Paula Hughes: Yes by transferring it down to one of the lines in the capital expenditures or another CEDIT line that separates it. In my mind, it is in the nature of the 400 series. I would like to see a shift of funds and create a line item for DID and Regional Partnership and then a generalized line item for the other projects that are coming up.

Darren Vogt: Which is the same thing as under the Economic Development incentives, I would assume. It is the same concept and what they are using that for. It would just be putting more money into that line item. The advantage of doing that is then they would have to come before us since it is not the same series.

Paul Moss: I have a question about the Fort to Port \$18,000 and what that was for. Was that for lobbying?

Paula Hughes: That was partial funding of a lobbyist and it is not completed yet. They are still lobbying.

Roy Buskirk: It is on some of the design such as cloverleaves versus at-grade intersections.

Paul Moss: Who employs that lobbyist?

Paula Hughes: The new Allen Alliance has the contract and the budget is about \$3,000 a month for the lobbyist. The total budget for the Fort to Port project is closer to \$70,000. The county contributes toward the lobbyist.

Cal Miller: I make a motion to create separate lines in the 400 series on the Commissioners budget in the amount of \$75,000 for DID and \$50,000 for Regional Marketing. Is that what you wanted to accomplish?

Paul Moss: Second.

Paula Hughes: Not exactly. The request by DID was \$75,000 and for Regional Marketing but the Commissioners reached an agreement with Regional Partnership for \$50,000. I think they intended for a similar amount for the DID. It should be \$50,000 and \$50,000.

Cal Miller: Oh. I will withdraw that. Now, I will make a motion to withdraw \$100,000 so that DID and Regional Marketing each receive \$50,000.

Paul Moss: I'll second that.

Paula Hughes: **We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0.** Is there a desire to move more out of aggregate and into the Incentive for Economic Development?

Paul Moss: I guess one of the questions that I have is, how do we identify the remaining dollars and what the priorities are?

Paula Hughes: In my mind, we have sent the message that the Council has set the priorities.

Cal Miller: And justifies that by decreasing the possibilities that we already talked about.

Roy Buskirk: But how are they going to fund the projects?

Cal Miller: By deciding if they are going to be needing fourteen maintenance people.

Darren Vogt: I think Councilman Moss' point was that the \$500,000 that is in there, how do we determine the priority of that amount? That is where we have the on-going conversation with the Commissioners.

Cal Miller: Is there any interest in bringing more money down to those line items to the Incentive?

Paula Hughes: There is not a motion on the table. Moving along, what else do we have to address?

Darren Vogt: We haven't addressed our earmarks.

Paula Hughes: We have a million dollars set for capital expenditures and \$563,000 for stormwater compliance.

Darren Vogt: It is an expenditure that at some point we will have but we have not had the details that are needed. I would make a motion that we keep that amount and put in the County Council budget so that it is still money that can be appropriated to the Surveyor when the time comes.

James Ball: Second.

Paula Hughes: We don't need a motion for that because the money is there already. **We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0.** We have taken care of the appeals.

Cal Miller: What else needs to be done to determine if we will or will not pass a budget that does or does not max out the levy? When do we make that decision for 2007? It doesn't look like we will have the information by September to be able to do that. We have to decide, without knowing what we are going to be doing, whether we are willing to pass the budget that is less than the levy amount and reduce what the Council's holdback is. Right now, it is one million eight.

Darren Vogt: It is actually two million eight if you look at capital expenditures.

Cal Miller: So we make the commitment and live with that as we address the salary study? We need to make the decision pretty soon.

Darren Vogt: Councilman Miller, as much as I would like to do it, I am conflicted when we have a lot of looming expenses and we don't know them. One is the study and the tax accounting system that we don't know the cost or the funding mechanisms behind them. There are some one time expenditures that we don't have funding for and I am not sure we are there yet. If we lower the levy and we can only get it back fifty percent at a time, I don't know that I can support the half a million dollar mark at this time. To get that back could take two years and we may need the funds for other things.

Cal Miller: For sake of argument, what would be the impact if we reduced the levy by the \$500,000? Could we calculate what the corresponding loss of revenue would be?

Tera Klutz: No, because we don't know what our tax rate will be. When we find out the gross assessed value from the Assessor, apply the exemptions and get an NAV and take both of those amounts, the levy amount passed and the assessed amount, then we can come up with the tax rate. That tax rate, in proportion with every other unit of government's tax rate determines how much we get on excise, which is our other major source. Our levy proportion calculates how much COIT we get.

Cal Miller: Can we make any projections based on historical data?

Tera Klutz: There is a lot of other funding going on this year so absolutely not.

Darren Vogt: The other side of that is if they go up and are not against a maxed levy as we are and we don't, our little jump could end up being a bigger jump because they went up and we didn't.

Tera Klutz: We are hoping that the tax rate goes down for Allen County. Our budgets are not going up that much.

Cal Miller: If that is the case, when can you ever make a decision to lower the tax levy?

Paula Hughes: I think we could do it if we didn't have so many unknowns. From my perspective we have not seen the full impact of the Circuit Breaker legislation. If that were in place this year, we would have reduced our General Fund budget by three million dollars.

Tera Klutz: Circuit Breaker affects us mostly in 2009 and 2010. Three and a half million for the county government funds was for 2010.

Paula Hughes: Also, we don't know the full impact of the annexations.

Tera Klutz: CEDIT will be dropped by about two million.

Paula Hughes: Those are big items that are unknowns in addition to the unknown of how we are going to handle the reclassification. I think it is premature and I agree wholeheartedly for a moral victory but it would not be prudent for us to make that decision right now. Any small moral victory or personal satisfaction is outweighed by the need cognizant of the greater good of county government.

Cal Miller: I don't characterize this in my mind as a personal victory. It is a step that we all have expressed an interest in taking. I think if we took a poll of the people that we represent, they would give a resounding yes that we should take this step today. I still want to take the step.

Darren Vogt: I am not sure I would agree with you, that given all of the information on the unknowns, they would agree with that. Just as I wouldn't put more money into my savings if I knew I had some large unknown expenses coming.

Cal Miller: One thing that we haven't talked about is the seven million dollars that we set aside in the Rainy Day Fund. Can we anticipate what the roll over will be for the Rainy Day Fund?

Paula Hughes: Our stated goal, when we had joint session with the Commissioners and started to form a strategic plan, we had a goal of the Rainy Day Fund having ten million dollars by 2010. If we could put another three million in there next year, that would put us three years ahead of the goal and would be fantastic.

Paul Moss: I think it is important to keep in mind that relative to other taxing units even if we are under a dollar, it is a substantial victory.

Cal Miller: It is a milestone and step in the right direction to keep us focused on what our jobs are, in part. We have an opportunity to take it this year to some degree. I don't want to do anything that is going to have a snowball effect but each year we will be faced with uncertainties.

Darren Vogt: I will say that in the three and a half years that I have been here, I have not seen as many major initiatives as I have in the last year. To

your point of rollover, as we continue to fine tune our process, I see our rollover beginning to shrink. And that would mean that we are getting to the true budget that we have been trying to reach.

Cal Miller: I would like to bring this to a head. I would like to make a motion that this Council takes the step, this year, to pass a budget that does not max out the tax levy for the citizens of Allen County, in the amount of \$100,000.

James Ball: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? Councilman Buskirk?

Roy Buskirk: I think it is a little risky. I think we have a lot to be proud of in what we have accomplished in the last couple of years or so.

Paul Moss: For the first time, I have to say this is one of the most frustrating motions I have encountered. I feel it puts you in a corner because I agree with you but there are too many unknowns.

Cal Miller: I tried to put an amount out there that would be less of a quandary for anyone.

Paul Moss: Then don't put an amount. Just say that you don't want to exceed the levy.

Darren Vogt: I would like to ask the Auditor's office a couple of questions. Is there a way to analyze and figure out what that would be if we reduced it by \$100,000?

Tera Klutz: I think I have a better answer. In February when the DLGF gave the 1782 notice that we use to cut the Family and Children's budget, we can look at our budget at that time. Then some of these unknowns will become known. It will pass it at the max but you can always reduce on the 1782 notice by any dollar amount that you choose. That would be a direct decrease in the tax rate but we will have a better idea of what the assessed values are.

Paula Hughes: Even though we are already into the 2007 year?

Tera Klutz: Correct. We don't get the finalized budget until March although it is sometimes June. We don't send out the tax bills until all of that is finalized.

Roy Buskirk: There is another thing too. I agree with all you are trying to do. There are so many unknowns such as the Circuit Breaker. By not moving the rate up to the max, when that kicks in, how will everybody's rate be cut? Is it pro-rated or what?

Cal Miller: I think there are fewer unknowns today than there has been in three and a half years with respect to the financial footing of this county.

Darren Vogt: Financial footing, yes, but not the expenses.

Cal Miller: The risk associated with this motion, as a starting point with that step, is minimal.

Darren Vogt: Convince me it is minimal and I will support it. If we can wait for the 1782, then we will know the impact.

Paula Hughes: Any further discussion? We have a motion and a second, is there any further discussion? All in favor signify by saying aye. Let's do that by hand. We have four in favor. All those opposed same sign. The motion has passed 4-3.

Jackie Scheuman: When you pass the budget, we can attempt to have it at that amount but since we don't have the assessed values, it is all refigured.

Cal Miller: I will withdraw the previous vote to the misunderstanding of how it will be calculated and assessed in February.

Darren Vogt: I will second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify of vacating the previous vote, signify by saying aye. All opposed same sign. The motion has passed 7-0.

Cal Miller: I would like to make a motion that when the tax rate is set in February, the budget that we submit is a minimum of \$100,000 less than the max levy.

Patt Kite: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by raising your right hand. All opposed same sign. The motion has passed 7-0. Council members, I would suggest that we decrease the Council line item...

Paul Moss: I would suggest we cut 34-03 County Liability. I make a motion to cut that by the \$100,000.

Patt Kite: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0. Any other business to come before Council?

Paula Hughes: At this point, we adjourn and revisit this process when we meet in September meeting at our regular session.

Darren Vogt: Motion to adjourn.

Cal Miller: Second.

Paula Hughes: We have a motion and a second, is there any further discussion? All in favor signify by saying aye. All opposed same sign. The motion has passed 7-0. Thank you Council members and thank you audience.

The next meeting will be held on September 14, 2006 at 8:30 am.

There being no further business the meeting was adjourned at 4:51 pm.