

**ALLEN COUNTY COUNCIL
MEETING MINUTES
March 15, 2007
8:30 AM**

The Allen County Council met on Thursday, March 15, 2007 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: Paul G. Moss, President; Roy A. Buskirk, Vice President; Cal S. Miller, Maye L. Johnson, Darren E. Vogt, Paula S. Hughes and Paulette Kite.

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

The meeting was called to order at 8:30 a.m. by President Paul Moss with the Pledge of Allegiance.

APPROVAL OF MINUTES:

Cal Miller made a motion to approve the minutes of February 21, 2007. Darren Vogt seconded it. Motion passed 7-0.

FINANCIAL REPORT:

Lisa Blosser, Auditor: For your consideration today, there is one request for an additional appropriation of \$545,000. Because of the delay in the assessment process, we will not have a 2007 certified budget until May or June. Additional appropriations will not be approved by the DLGF until then. What you can do today, if you decide to approve the one request, is to use the appropriated funds in the County Council capital line budget. If you approve the \$545,000 today that will leave you with \$41,750 in your capital line until we have a certified budget.

Paul Moss: Are there any questions for the Auditor?

Cal Miller: Move for approval of the financial report.

Darren Vogt: Second.

Paul Moss: Moved and seconded. All in favor signify by saying aye. All opposed same sign. Motion carries 7-0. Thank you for that, Auditor Blosser.

Item 1 Councilman Miller, with the Election Board. If you could, state your name for the record.

Pam Finlayson: My name is Pam Finlayson and I am the Director of Elections for Allen County. I am coming before you today to request an appropriation of additional funds from County General. This is for the purchase of additional Infinity voting machines.

Cal Miller: This is a continuation of the discussion we had with Pam. What has happened on the certification process on these? Wasn't there some concern about this particular entity getting certified by the State and a timing issue of when to buy those? Can you bring us up to date on that?

Pam Finlayson: They received certification and all of that has been cleared up. There was an administrative action between the Secretary of State and MicroVote. It is close to being concluded.

Cal Miller: As I understood from our last conversation, this was going to be paid for over a three year period of time and there wouldn't be any interest assessed to that.

Pam Finlayson: Correct. Nothing has changed.

Cal Miller: If the Council recalls, we agreed to set aside this money and now it looks like the Commissioners are going to be paying half. That is welcome news coming out of Cum Cap. There is specific language in the statute about that. We analyzed this and approved this the last time Pam came before us and saw that it was worthy of the appropriation that she is requesting now only half of that given what the Commissioners are doing.

Paul Moss: Councilman Vogt?

Darren Vogt: My concern is just the timing of this. When do you actually need the funds? If we appropriate this out of our line item, that leaves us with only \$41,000. Do you need it right now or can it wait until June if you have the other half from the Commissioners.

Pam Finlayson: We can wait until June. MicroVote is not expecting their first payment until June. I sent them the schedule that the Auditor helped me prepare and they have no problem with this. The County Attorney is currently working on a contract with MicroVote so we don't have a contract in place yet. I told them we couldn't sign a contract until the money was appropriated.

Paul Moss: Councilman Buskirk?

Roy Buskirk: I thought we set that money into one of our funds.

Lisa Blosser: It rolled over. It wasn't encumbered.

Roy Buskirk: Oh, all right. Thank you.

Pam Finlayson: I will tell you that they have already delivered all of the equipment. They have a very aggressive plan in place. They want to get this equipment into the field. We have always had a good working relationship with MicroVote and they trust Allen County. We will be putting them into the field during the next three elections but mainly getting ready for the Presidential election. They understand that they will be paid in three installments.

Paula Hughes: I have one question. Are we certain that we will be able to appropriate by June?

Lisa Blosser: No, we don't have values yet.

Paula Hughes: I am hesitant to put this off because I think this is the strongest of the commitments that we have made. I don't want to not appropriate this money or not be able to give this money to the Election Board and then not be able to appropriate money when June comes.

Roy Buskirk: We would have to do it next month, in April, anyway. Or May, I mean.

Paula Hughes: Yes. My point is that we may not have the authority to appropriate other funds.

Darren Vogt: The issue is that if you look at the payment, it is only \$379,000 and could be paid out of Cum Cap.

Tera Klutz: No, we are doing the first payment and part of the second payment and that allows Cum Cap to maneuver their budget for the next two years.

Pam Finlayson: The Commissioners plan on going before Council for the \$214,000 portion of their payment. They are not going to build it into their budget for 2008. They are going to build the balance of their portion of the payment into the budget for 2009.

Paula Hughes: So maybe just the \$379,000 for this year's payment? That partially addresses your issue for now.

Pam Finlayson: The proposal that I received and it is okay with me is to request the \$379,000. That would be for the first payment this year. Then, when we come before you for the budget for 2008, we are to build the second half into our budget.

Cal Miller: Move for approval of \$379,620.

Roy Buskirk: Second.

Paul Moss: Motion and a second. All those in favor please signify by saying aye. All opposed same sign. The motion carries 7-0.

Pam Finlayson: Thank you. I think that will work for everyone.

Paul Moss: Item 2 is appropriation out of the Technology Fund.

Judy Heck: The Highway Director is in another meeting and asked that this be tabled until the next meeting.

Paul Moss: Okay. Moving right along, we have a transfer in Human Resources.

Paula Hughes: While Mr. Dumford is joining us, we found a more efficient way of doing something by talking amongst ourselves.

Brian Dumford: Brian Dumford, Director of Human Resources. At the end of last year, I had a purchase order out of the telephone line, to purchase wireless headsets for the front office staff. In discussing it with Bruce Little, he said we could also buy them cheaper from the Office Depot contract. I had ordered the headsets from an organization called Headsets.com and had received the equipment. In trying to return the equipment to Headsets.com, I ordered them from Office Depot out of my supply line. Since I have gotten the purchase order money back, I would like to move it from the telephone line back into the supply line.

Cal Miller: Move for approval of the transfer of \$680 from the telephone line item to the supply line item.

Maye Johnson: Second.

Paul Moss: We have a motion and a second. Any further discussion? I do have one question. Are these headsets so that you can talk amongst yourself in the office?

Brian Dumford: No these are for the telephone so that the ladies can be filing or whatever and still answer the phone.

Paul Moss: Any other questions? Okay, all in favor signify by saying aye. All opposed same sign. The motion carries 7-0. Thank you.

Roy Buskirk: While I am thinking of it, Brian, the Wednesday meeting was okayed to move to the 22nd at 2:00.

Paul Moss: That is the Personnel Committee?

Roy Buskirk: Yes.

Paul Moss: Can you briefly tell us what the agenda is going to be?

Brian Dumford: We are going to be discussing the impact of moving the exec's and elected officials onto a grid system.

Paul Moss: Grants. We have a couple of grants for the Sheriff's Department. Councilwoman Kite, you should be involved in some of those.

Ken Fries: Good morning, I am Ken Fries, Sheriff of Allen County. The first grant that we want to talk about is the DAC grant. We have been talking about this every year at this time for several years. It is an equipment grant. It is \$24,200 and with no matching funds. This will be used for video cameras for the cars and it is a total of five for this year.

Paul Moss: Are these for new cars or is this part of the refresh?

Ken Fries: It is mostly for refresh but as you know, I have said that I am going to have marked cars from now on so the thirteen cars that we are buying this year will be equipped with the video camera. We are going to be aggressively seeking more cameras because all of the marked cars should have cameras. We will go after more money, wherever we can get it from.

Roy Buskirk: I think this is a no-brainer with no matching funds.

Cal Miller: Move for approval of the Drug and Alcohol Consortium grant for the in-car video cameras.

Roy Buskirk: Second.

Paul Moss: We have a motion and a second. All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. The next one is a grant from Meijer.

Ken Fries: This is for the cadet program and if you all remember, I started out as a cadet when I was sixteen years old. I think this is a very valuable program. There is currently no money budgeted for any equipment for the cadet program so we are seeking a grant from Meijer for \$2,000 to help start the program. Once again, there are no matching funds required. This will help buy the software and get some binders and patches to get the program started hopefully in April.

Paul Moss: Is this pretty common for Meijer to have grant money available?

Patt Kite: Yes. Let me add that when he was a cadet, I was a rookie police officer. I am glad that he is reinstating the program. It is a great way to get the young people in our community involved in law enforcement. If they are prone to wanting that for a career, it really gives them a flavor for what we do. Thanks, Kenny, for reinstating that.

Cal Miller: Move for approval of the Meijer grant for \$2,000 for the cadet program.

Patt Kite: Second.

Paul Moss: We have a motion and a second. All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. Another grant from DAC.

Ken Fries: That is the third and final one for the day. Art Barile will come up and talk to you about that one. They are requesting a grant from DAC for \$8,283 for the Vice and Narcotics Division.

Art Barile: Good morning, I am Art Barile, Sheriff's Department Vice and Narcotics Division. We also applied for a DAC grant. It is for \$8,283 with no matching funds. It is an equipment grant for upgrading equipment.

Paul Moss: I have never heard of a bubblegum audio transmitter but I am almost afraid to ask.

Art Barile: It is a covert transmitter, that will be used in our day-to-day work.

Paul Moss: Okay.

Ken Fries: We do amazing things that you guys don't know about.

Cal Miller: Move for the approval of the DAC grant in the amount of \$8,283.

Patt Kite: Second.

Paul Moss: We have a motion and a second. All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. We have another grant. I don't see Mr. Noble in the audience.

Darren Vogt: I can handle this. I know Mr. Noble will not be here today. This is the same grant that has come before us in the past. As we have been told, there is something like twenty-three different languages that are spoken here. They apply for the Indiana Supreme Court Interpreter Grant to help offset some of those costs. They try to hire as many licensed interpreters as possible. This is just a continuation of finding funds to help the court system with the diverse population that we have when it comes to language. I make the motion that we move forward and let the Superior Court apply for the Supreme Court grant.

Maye Johnson: Second.

Paul Moss: We have a motion and a second. All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. Now we have a salary ordinance with Mr. McGauley.

John McGauley: Good morning, I am John McGauley, Allen County Recorder. I think I am here to ask you for the smallest amount of money that anyone has asked for today. I am asking for an ordinance for the Extra Deputy Hire part-time. We secured the services of an individual back on February 12th to fill in for someone who was on short-term disability. We offered her the position at \$11 an hour and then found out the part time was at \$10 an hour. We offered an opportunity to part ways with us but what we would like to do is make good on the \$11 an hour for the time from February 12th and the date that we notified her of the error. The total impact is \$56.

Roy Buskirk: I make the motion that we approve the part-time salary ordinance by raising the range to be \$8.50-\$11.

Patt Kite: Second.

Paul Moss: We have a motion and a second. Any further discussions?

Darren Vogt: Are you going to come before us for the \$56?

John McGauley: No, we will work with that. This is one of the employees that we pay out of the Records Perpetuation Fund.

Paul Moss: This isn't really a question but more of a statement. In the initial short time that you have been the Recorder, it seems like you are doing a lot of good things. You have been thinking outside of the box which is kind of critical at this point. I certainly appreciate that and am sure that everyone agrees with that. Having said that, **there is a motion and a second on the floor.**

Cal Miller: Mr. McGauley is going to be coming before Council next month because he has some other exciting things that are happening. I was able to meet with him and asked him to come and let us know what is going on. It will not require an appropriation from Council but will be using funds that are in control of the Recorder's Office.

Paul Moss: All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. Bill, are you here to discuss the Technology Fund?

Bill Hartman: Yes, I am.

Paul Moss: Let's go back to Item 2. Please introduce yourself for the record. In looking at the book here with the supporting information for Item 2, it indicates that this was discussed with the liaison and I am struggling to remember when I ever discussed this with you.

Bill Hartman: I am Bill Hartman with the Allen County Highway Department and I apologize for my late arrival. This is a software program to help us manage our fleet. It will not only be used for the Highway Department. It will also be used by the Building Department and the Service Center. It will be used to better the maintenance such as oil changes and parts changes on the vehicles. The Highway Department is going to fund something like 44% of that because it is for our equipment. The full package is \$100,000. We are asking for \$36,000.

Paul Moss: Is this an upgrade or a new system?

Bill Hartman: A new system.

Paul Moss: Councilman Buskirk?

Roy Buskirk: So it is primarily to keep track of when you did the oil changes on the vehicles and when certain parts were done. Something of a record-keeping.

Bill Hartman: This is the same system that the City uses.

Roy Buskirk: How is it currently being done?

Bill Hartman: A card file of records. We have a self-generated computer program that has been put together by the mechanics.

Cal Miller: Mr. Hartman, what is it about this program that makes spending \$100,000 justified?

Bill Hartman: We feel it will make our operation that much more efficient.

Cal Miller: In what way? I am trying to understand why this is a good expenditure.

Bill Hartman: Not only equipment but personnel also in knowing that we have the right number of mechanics for the equipment and the right amount of service time on the equipment. It will track every aspect of this. We don't track that very well with the current system.

Cal Miller: How does that sort of framework for servicing the vehicles impact the bottom line? Does it make the vehicles and equipment last longer?

Bill Hartman: Not only the use of personnel but doing it right. Keeping up on the equipment so it is being serviced at the right times. This will tell ahead of time when something needs to be serviced based on the service schedule. Right now, we rely on human factor to keep track of odometers etc. This will keep better track so that you can anticipate hours and so forth.

Paul Moss: Councilman Vogt and then Buskirk?

Darren Vogt: Does this also give you the amount of hours that should be taken for repair? And can you track the hours that your mechanics are working?

Bill Hartman: Yes.

Darren Vogt: Right now that is not tracked?

Bill Hartman: Not particularly, no.

Roy Buskirk: On your question, it is not tracked on how many hours they are spending on a vehicle?

Bill Hartman: Somewhat but not in a spreadsheet program that was precisely designed for that. This would be much more efficient than how we are doing it now.

Roy Buskirk: Being an old mechanic, you have the Chilton books that tell how much time something should take. You mentioned three departments here. How are they doing it?

Bill Hartman: I can't speak for the rest of the departments.

Roy Buskirk: I think if we are going to upgrade a program, it should be for all county vehicles.

Bill Hartman: This is.

Roy Buskirk: It is just the three departments that are paying for it.

Bill Hartman: Right.

Paul Moss: Councilman Miller?

Cal Miller: The reason you are getting so many questions is that this is the first time we have heard about this. The first couple of pages give you an idea of the return on the investment and what enhancements it will have. The last several pages are a list of cities and counties throughout the United States that are served by this system. That is why I wanted to find out why the \$100,000 makes sense.

Paul Moss: Is the \$100,000 on the licensing fee based on the number of vehicles?

Bill Hartman: I don't know.

Paul Moss: Ed, do you know how they come up with the fee? Is it based on the number of vehicles?

Ed Steenman: The cost of the software?

Paul Moss: Yes.

Ed Steenman: It is on a per license basis. It is licensed per user. The licenses were something like \$1,500 each but I don't remember the quantity of licenses. That is how they license the software.

Paul Moss: The number of vehicles doesn't affect that at all?

Ed Steenman: No.

Paul Moss: Well, the only comment that I would have is that I hate to throw around efficiency unless there is a commensurate decrease somewhere. I haven't seen that yet but I don't dispute that it is a good thing to do in terms of enhancing technology. I am not comfortable saying that we are going to spend \$100,000 to be more efficient when we can't say where there is going to be a decrease.

Maye Johnson: I would agree with your comments. I am not comfortable with it either.

Cal Miller: Because we got this information today, I would like to table the discussion and have the opportunity for the Council to digest the information that you provided. Perhaps, if you would come before us next month, with a little better fleshed out understanding from the mechanic's end or articulate the advantages as it relates to this county.

Paul Moss: Councilman Vogt has a comment.

Darren Vogt: I think that since this is not just necessarily your fleet, Mr. Pray should be here to tell how it will help on his side. You are only one piece of the puzzle and we need to have this discussion with all of the people that are handling the fleets.

Paul Moss: This isn't going to cause any undue hardship or change to the contract if we wait until next month, will it?

Bill Hartman: Absolutely not.

Cal Miller: I move to table the request for item 2 until next month so that we have time to digest the information given to us.

Roy Buskirk: I'll second that.

Paul Moss: We have a motion and a second. Any further discussion? All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. We are into the discussion items and have an emergency request for a loan

from Wayne Township. I think most of you have been somewhat familiar with this through reports in the media. Councilman Vogt and I happened to be at the Commissioners' meeting last Friday and this was discussed. We welcome you here and could you introduce yourself for the record?

Rick Stevenson: I am Rick Stevenson, Wayne Township Trustee.

William Carr: William Carr, Township Clerk.

Paul Moss: The floor is yours to give us an idea of what has occurred to get us to this point where you need to make this request. I am sure there will be some questions from the Council.

Rick Stevenson: Thank you for allowing us to appear here today. Basically we are here for twofold. We want to explain the need to have this emergency loan or we might even refer to it as an advancement. Basically, if we look at our cash flow for the first quarter, we were dealing with \$632,000. We have looked at the past five year's expenditures for township assistance and it has averaged \$274,000. Simple mathematics tells us that in less than three months, we are going to be in a financial situation that needs help. So for the first quarter, we are in need of money to slow a low cash flow. Again, I would like to emphasize that it has nothing to do with expenditures or township assistance claims. Just from past practice, whoever might have been in this seat was going to have to deal with this situation. We are asking that until we receive disbursements, we are asking for four times that \$274,000 which equals \$1,096,000.

Paul Moss: To kind of cut to the chase, I guess, if you trend expenditures for 2006 into 2007, what you are saying is that those expenditures have not really changed much. Is that an accurate statement?

Rick Stevenson: Yes, that is somewhat of an accurate statement. When we use the \$274,000 that is the average for looking back five years.

Paul Moss: But there have been some additional expenses incurred due to some internal things that have been in the works for a while such as retirements.

Rick Stevenson: Certainly. We have dropped that into the term transition. As you well know, the transition from one administration to another costs certain dollars. The printing, the sign changes and some employees that are no longer with us. They had severance pay in the form of vacations that they were due. It makes costs go up. That probably would not have occurred if they had continued to work.

Paul Moss: What I am really getting at is that there have been some comments out there...poor relief is somewhat subjective. Don't you agree with that? What I am trying to get at is to give you an opportunity to respond and say has there been a dramatic change in that subjectivity or criteria for poor relief. Is that a part of this or not?

Rick Stevenson: I am glad to address that. No, it is not part of this. As I have stated, whoever might have been in this seat would be dealing with the same issue. There has not been any change. If I look at the preliminary study, the average claims went from \$156 to \$154. We see that there has not been any significant difference. We would like to state further that what we are working with is the previous administration's budget. We are trying to work in the confines of that budget. That budget along with eligibility standards, have been derived from the previous administration. That tells us that we are going to be real close as far as expenses.

Paul Moss: I thought you might want to speak to that. Councilwoman Johnson?

Maye Johnson: Trustee Stevenson, I would like to know if you had seen an increase in requests for services. Has the need increased?

Rick Stevenson: No, there has not been an increase in numbers. In fact, we are probably about 200 claimants lower than the previous administration. As we understand it, there are no controls over request. Weather, economy and each individual's needs and situations could call for an increase. We anticipate an increase next month as utilities come due with the energy assistance program.

Paul Moss: Councilman Buskirk?

Roy Buskirk: In the first part of your presentation, you said that the first quarter of the year, you have had \$632,000 of expenses and normally over the last five years, it has been running \$274,000. That is a difference of \$358,000, correct?

Rick Stevenson: If I said it in that manner, I mistakenly said it wrong. Beginning in January, we had \$632,000 on hand. The \$274,000 is an average cost of township assistance per month. If we take those two figures and divide the \$274,000, it would let you know that shortly we would be in the situation that needs some financial support.

Roy Buskirk: The reason for the increase cost in the office is because of administration changes such as changing names and I understand that. Prior

employees cashing in their vacation time and severance pay is a cost that basically will not continue on. That is a one time thing.

Rick Stevenson: Exactly.

Roy Buskirk: I guess that I don't see the math or how you are projecting that the cost is going to continue on per month as great as what it has the first couple of months.

Tera Klutz: I completed a cash flow with William Carr and just to set one thing straight. January expenses for this administration were lower than the expenses for January for the last administration. To assume that the transition costs greatly increase the costs from last year is not a good assumption. Timing on when we expect advances to hit this year, with there being a late June settlement and a December settlement, the lowest cash flow balances on a monthly basis was \$800,000 in the first six months. Even after we get the first spring settlement, again in November, we are starting to dip down again another \$285,000. That is where the million dollars comes from on needing the cash now.

Roy Buskirk: So he needs these funds immediately?

Tera Klutz: Almost. \$800,000 now and the other \$285,000 could be done later or we could just do it now.

Roy Buskirk: I appreciate that. I couldn't see how he was short right now. I still don't understand. I guess part of the problem is the delay in the tax bills this year.

Cal Miller: I think that is where we need to start.

Roy Buskirk: I wanted to know, if it is affecting Wayne Township it is going to be affecting the other townships too.

Lisa Blosser: Depending on their cash on hand.

Cal Miller: If we could bring this into a better focus. If we start with why is Wayne Township in this situation? If not transition costs and not an increase in claims, why is Wayne Township in this situation? That is what I would like to know.

Paul Moss: Because of the cash on hand.

Cal Miller: Why is the cash on hand too low?

Tera Klutz: I think Wayne Township came into our office no less than five times last year thinking that they were going to need to borrow money. They kept slightly making it and slightly making it and didn't need to borrow the money. By December, that left them with such a weak cash balance that they could not operate the first part of 2007.

Cal Miller: Why is Wayne Township historically in the situation where they are barely squeaking by?

Tera Klutz: Many units of government are. Most of the schools borrow from the bond bank to get money in January and they float these tax warrants. Wayne Township has always tried to avoid it to save any interest that they could. I am recommending that going forward this fall and just begin that program all the time so that they always have money in January.

Cal Miller: So irrespective of the transition cost, even if the prior administration was sitting in your shoes, they would be in this situation as well.

Rick Stevenson: Yes.

Cal Miller: Okay. What is going to be done going forward to work Wayne Township out of a scenario where they are just barely making it or would have to borrow until the disbursements come? Is that a possibility?

Rick Stevenson: Yes it is. As what Tera was trying to explain, this is not a unique situation with Wayne Township. It happens throughout the State. The Trustee has to come up with techniques to employ temporary loans so that he can deal with the short flow. She talked about the Indiana Bond Bank, the Department of Local Government Finance and we deal with temporary loans. You just prepare ahead of time. Not doing anything, you will find yourself next year in this same situation. As I was talking with the Commissioners, this year we are monitoring the budget and trying to make sure that we are adhering to the budget. Next year, when we are sitting here, we want to be in a better position because we have utilized the Indiana Bond Bank or whatever is necessary to prepare us. You must look ahead in order to do this. So, again, we are setting things in order so we can look further down the line. In December, we will be looking at January knowing we will be able to go through until our first disbursement.

Cal Miller: What is it then that Wayne Township Trustee's Office is specifically asking of County Council?

Rick Stevenson: We are asking two things. If the County Council is not in a financial position to give us an advancement and I use the word advancement because we would be using your money instead of going to a bank, because at a bank, we would incur interest. The interest would mean that we would have to cut services to some degree. We are asking you to advance us the money which allows us to be more quickly addressing the situation as well as saving dollars.

Cal Miller: I think that is something to consider, avoiding the interest costs. Assuming that County Council were in a position to do that would your request for that loan, would that have a bearing on the tax break and if so, how?

Rick Stevenson: I will let Tera address that. When I think of interest, I think of interest that we pay on a loan and interest that we receive on our savings account. If we balance the two out, the loan would cost us money and the savings would bring us some money. We must consider that as well when we consider additional costs.

Cal Miller: I would like to hear then, as part of the consideration, if it makes most prudent sense to make the advancement to Wayne Township, is what the adverse impact on the tax rate would be if any if you borrowed instead of getting an advancement from County Council.

Tera Klutz: In 2003 or 2004, Wayne Township took out a poor relief loan for about the same amount. It doubled the tax rate. I thought it was a cash flow issue but they needed the cash so the taxpayers didn't ever get the result of a lower one the next year. This greatly affected the taxpayers in Wayne Township. If the County has an opportunity to mitigate that impact, then basically, it wouldn't have an affect. That would be a great thing for the City and the County.

Paul Moss: Councilwoman Hughes?

Paula Hughes: I understand the need for the loan and appreciate that you are asking for an advancement because the prior County Assessor did not turn in assessed values in a timely manner. That is the same reason County Council can't make appropriations. Every property tax funded entity is possibly going to go through some cash crunch unless they have funds set aside for some such occasion. I would like to hear more about, if there was a loan, how it would work because when you talk about the two sides of interest. The County General Fund accumulates interest and that is a part of the revenue that we build our budget on. Rather than advancement, it might

be a loan because we would lose our interest income from any money that we advance you. Correct?

Tera Klutz: Yes, we would lose interest. We can't charge interest for this temporary loan. That would be a contract that the Commissioners could go back and sign and work out a different deal. Wayne Township would be here regardless of what the County Assessor did or did not do. We don't normally advance property tax until May.

Darren Vogt: I want to debate or discuss whether we want to consider the loan part of this from our Council funds. I asked Tera to find where we should get those funds from. For the life of me, I can't remember what you said.

Tera Klutz: It would be from the unappropriated General Fund.

Darren Vogt: We could do that even though we can't appropriate?

Tera Klutz: Yes because it doesn't require appropriation. You would approve a resolution to allow Wayne Township to temporarily borrow a million dollars to be paid back by December of this year.

Darren Vogt: Council, as his dilemma is ours, we have funds available and I would like to see us consider that he not incurs the expense. We are in a position to forego some interest in some of our accounts and I am willing to do that to help out the folks in Wayne Township to make sure they don't get hit for more tax dollars. This is an area where we see more poor relief and I am happy to hear that we are down two hundred people in poor relief this year. The economy is swinging the pendulum that way. If the tax rate has to jump because of a temporary loan, we may see the two hundred people down become two hundred people on the positive side. I would like to see us move forward with Mr. Stevenson agreeing to repay those funds by the end of the year.

Paul Moss: Was that a motion?

Darren Vogt: I would go ahead and make that as a motion.

Maye Johnson: I would second that motion. I would agree with everything you just said.

Paul Moss: **We have a motion and a second.** Councilman Buskirk?

Roy Buskirk: Mine is a couple of different steps, so bear with me. The first is, haven't we had other townships come before us and we have always denied it

because it was a process to go through so that they would be able to borrow money?

Lisa Blosser: We didn't have a Rainy Day Fund at that time. We were in a different financial situation than we are today. That was in 2003 and now in 2007, we have the money to loan them. We would take the repayment from their property tax disbursement. There would be no problem with repayment. We make the distribution and so we would just take it out of their December distribution.

Roy Buskirk: As far as the future tax rates, when they pay that money back, they will be short of money that they would receive.

Lisa Blosser: Then they will go to the Bond Bank. That is what Mr. Stevenson explained. They are going to start that process.

Tera Klutz: You have to start it in the fall before that January. That is why they were stuck. Bond Bank distributed their money January 3rd to all of the other units that went through the process.

Roy Buskirk: So when they go to the Bond Bank that will affect their tax rate next year because they will be paying them interest. They will have to raise their tax rate to cover the interest.

Tera Klutz: Yes and it is minimal. We did the same thing during reassessment. I don't know if you remember when we did that but it is not much.

Roy Buskirk: Right.

Tera Klutz: Actually, it is close to breaking even by the time you run interest on the cash. You don't make money, I just want to say that publicly.

Roy Buskirk: But it is still going to affect the tax rate. They will have to adjust it to cover the expenses they are going to have.

Tera Klutz: Maybe. If the interest they earn on the cash on January 3rd, doesn't cover the interest.

Roy Buskirk: Okay. What is to prevent other taxing units from coming to the Council this year because of the delay in the real estate taxes?

Paul Moss: You would probably be aware of that by now, wouldn't you?

Tera Klutz: Yes.

Cal Miller: Their respective cash positions are what is insulating them from having to do what Wayne Township is doing.

Tera Klutz: We have been in constant contact with all the units in letting them know the time of advancements this year. That is so they can plan. I am not saying that it will preclude another township from coming. During reassessment, three came before you, Marion, Adams and Wayne.

Paul Moss: Councilman Miller?

Cal Miller: Two questions. If this were not approved, the increase in the tax rate to Wayne Township residents, is there some way to quantify that amount?

Tera Klutz: Yes, right now, the 2007 budget is to raise \$2 million in property tax for the township assistance. If we would add another million to that, it would make a jump of fifty percent more. I don't know, off the top of my head, how much people are paying per \$100 thousand dollars of assessed value.

Cal Miller: I realize that is just one component of the rate. That would be different if they were in the position to go to the Bond Bank. That impact would be minor or not at all depending on the offsetting interest that they earn. Right, it could be an offsetting scenario?

Tera Klutz: Could be.

Cal Miller: So, this scenario, we know is much more advantageous to the taxpayers in Wayne Township because of no adverse impact on the tax rate.

Paul Moss: Councilwoman Hughes?

Paula Hughes: I was going to say that I was the only one in Wayne Township but I am one of two. I maybe have a greater interest in what the tax rate of the Wayne Township Trustee might be. I still have a hard time giving away eight months of interest on a million dollars. The Commissioners have already voted against this loan. To approach them about writing a contract for it would probably not be successful. I will vote against this because I do not think that the County Council, who are stewards of funds for the entire county, to make a loan without interest and to lose the interest on a million dollars for eight months is not serving in the best interest of the entire county. I wish there was a better way to do it.

Paul Moss: That is a valid comment. You have to weigh that against the affect on the Wayne Township residents in terms of the increase of the tax rate. You can estimate what that interest is going to be...

Paula Hughes: \$40,000 is what the Deputy Auditor says.

Paul Moss: \$40,000, okay, but I personally lean towards not increasing the burden on the taxpayers in Wayne Township.

Cal Miller: You indicated that you didn't think the Commissioners would enter into a contract. Is there any way other way than a contract by which Wayne Township could agree to return to the General Fund, the interest that we would have missed out on?

Tera Klutz: You could ask them.

Rick Stevenson: We would highly consider that. Any time that we are talking about receiving assistance, we want to do it quickly as possible. Timing is so important and to Councilwoman Hughes, if the Council would give the money, it would be a savings to the entire county. It would be more efficient if the County would do it versus the Township going out and taking a loan. Yes, we would entertain reimbursing any interest that you might have received. We would have to call State Board of Accounts and get their permission to do that. I would rather pay you the small interest amount than have to go to a private institution and pay them the interest. The interest to you is County money and I am part of that.

Cal Miller: Not only do you have an interest cost but your constituents would have an adverse affect on them.

Rick Stevenson: Yes.

Cal Miller: Can we get that commitment from you, to the extent that it is appropriate to do so and can be approved by the State Board of Accounts, that you would reimburse for the lost interest?

Rick Stevenson: Certainly.

Cal Miller: Also, this body ought to approach the Commissioners about entering into a contract for that particular interest.

Rick Stevenson: Can I say something in behalf of the Commissioners? I felt they were favorable. The media said they "shot down" the request but that was not the atmosphere that I felt at all. They were very receptive of helping.

They actually thought that I was looking for a denial. And they thought I was looking for a denial from you. We only went through the process in the event that we could get the money.

Paul Moss: Councilman Vogt and I were both at the Commissioners' meeting and I even said to him that this is kind of backwards in how we are going about this. I don't think that it will be an issue.

Cal Miller: The perception of looking for a denial is because that is what you need to get to the next level. You need two denials to borrow.

Rick Stevenson: That used to be the case but that old policy had changed sometime in June.

Cal Miller: So we may find the Commissioners more receptive to a contract for reimbursement of the interest.

Paul Moss: We are beating this to death. Councilman Vogt?

Darren Vogt: One more point. That instead of having him repay the \$40,000, we look at the budget and see if there is a way to cut expenses by \$40,000. I would prefer that he does that than to give us back the \$40,000. That will give us money going forward. With that said, I think we need to keep the door open as he goes into looking at his budget.

Paula Hughes: Just a quick comment and I will surrender to Councilman Buskirk. I didn't think the waters could be further muddied but you managed to accomplish that.

Darren Vogt: Thanks, but forward thinking that it would give us more money in the long run return-wise.

Paul Moss: Councilman Buskirk and then I am going to call the question.

Roy Buskirk: I would like to amend the motion that is on the floor. I would like it to be that they would pay interest on the advancement.

Paul Moss: It has been so long that I can't even remember who made the motion.

Darren Vogt: I did.

Maye Johnson: I seconded it.

Darren Vogt: At this point, we have, on the record, an agreement with Mr. Stevenson that he will work with us to pay the interest back or look at his budget. I don't think I want to amend the motion at this time.

Tera Klutz: What was your motion?

Darren Vogt: My motion was to allow us to lend him the full \$1,096,000 on a temporary loan to be repaid by the December disbursements. And that was with all of the other discussions taking place.

Paul Moss: Okay. **There is a motion on the floor and a second. All those in favor please signify by saying aye. All opposed same sign.**

Roy Buskirk: Aye.

Paul Moss: **The motion carries 6-1 (Buskirk).** We appreciate your time. We are going to make some adjustments to the agenda. We are going to drop down to the Harrison Square Project with Mr. Becker and Mr. Brody. If you could, please introduce yourself for the record.

Mark Becker: Mark Becker, Deputy Mayor for the City of Fort Wayne.

Steve Brody: Steve Brody, Project Manager for Harrison Square.

Paul Moss: We appreciate you coming to Council to talk about the Harrison Square project. Obviously it has been a hot item out there. There is a lot of support for it and a lot of people questioning it. The intent here is to let you have the floor for a while to give us whatever information you would like to and I am sure that will generate some questions.

Mark Becker: Thank you. I want to thank a number of you who were able to schedule some time over the last couple of days to meet with the leaders of the ball team to get an update from them also. We don't have so much of a formal presentation this morning. We have briefed all of you in prior months as well on some of the details of the project. I thought that Steve could share with you some of the updates on the negotiations that are going on right now. Those are with the hotel developer and some of those were not shared in the meetings of the last couple of days. I want you to know how optimistic and upbeat we are contrary to some of the reports. Those reports couldn't be further from the truth after some of the meetings that we have had over the last couple of weeks. Over the last couple of months, there have been a number of constituents groups and they concluded with the report to the people last night. All of them have been very good at sharing more details on this project and to seek public input on it. We will continue to do that. The

East Central neighborhood is next Wednesday or Thursday night and there are a number of other groups scheduled as well. This is obviously a very complex project. The timeframe under which we are working is rather complex too. To have a hotel development at the magnitude that we are looking at is a significant project in and of itself. Obviously the discussion about the ballpark and the condominiums, the retail and land acquisitions and all the things to go with getting this project accomplished. I could not be more pleased with how all of this is coming together to have the discussions that we are having. I recognize we still have a lot of work to do. We don't take one single vote on City Council for granted. There are some Council members who have voiced strong support and there are others who have voiced their opposition and some are undecided. I respect every one of the Council members and all that they do and have to make decisions on issues like these. I know you take a lot of time to weigh all of the facts and arrive at the best conclusion representing your constituents. We are hoping to go to City Council in the middle of April but that is contingent on some of the details Steve will be sharing with you. We suspect that we will have a successful outcome from the memorandums of understanding because those discussions are going very well. With that, I will turn it over to Steve and then we will welcome any questions or comments you may have.

Steve Brody: Mark mentioned the complexity of this project and when I first got involved in it, I certainly anticipated that it would be complex. I have not been the least bit disappointed. It seems that everyday there is an additional layer of complexity that comes up. In terms of where we are, I couldn't be more pleased. I think we have made tremendous progress and most importantly, I think we are going about this in the right way. Some have said that we are moving too fast. We certainly don't feel that way. I think this has been a pretty deliberate process and one of the things I am most pleased about is that in contrast to a lot of cities that have made a decision to build a ballpark we had decided from the get-go that a ballpark in and of itself didn't make sense. But, if we could have a multi-faceted development that included a ballpark, that should be considered. In contrast to many other cities that decided to build a ballpark in the hopes that something would happen, some were more successful than others. There has been an element of master planning and master development here that is going to hold this community and this region in very good stead over the time.

In terms of some key things that are going on right now, we are in negotiations with the hotel developer and trying to reach an agreement on that. At the same time, we are in advanced discussions and negotiations with Hardball Capital relating to their development of the retail and condominium elements of the project along with the nature of their operating and licensing responsibilities for the stadium. The third component that is going on right

now is that the City, IPFW, the Coliseum and County folks are discussing the prospects of alternative uses for Memorial Stadium. I think all of you know that there is a memorandum of understanding that was entered into agreeing to examine that feasibility. I believe that we are on track to present to City Council in April. That is our goal. I will also say that we will not present to City Council until these other elements have been resolved or we are far enough along that we can sit in front of City Council with confidence and tell them what the deal is going to be. Those are really my comments and now we would love to answer any questions you have.

Paul Moss: I will start off with, do you anticipate any request or need for any County funding on an immediate basis or in the future from CEDIT or whatever the source might be? Are you anticipating that at some point or not?

Mark Becker: The financial plan that we have shared with many of you would not require any funding from the County. About 80% of the funding that we would need either be generated by the project itself and we have the Jefferson Pointe TIF Spring. Twenty percent of the funding will be a request to City Council. It will not jeopardize the annual allocations that City Council has within their districts. The only discussion that has been looked at, in terms of potential funding, is that if the downtown project comes together and if there is a viable alternative use for Memorial Stadium, the City and the County and the University would look collectively at what those costs are to modify the stadium.

Paul Moss: I know there have been some discussions about the food and beverage tax and maybe approaching the legislature to open that up for other uses. That is obviously still in the works. One of the things that I am struggling with right now is how we, as a Council, can get together at some point. I think we need to do that and have a philosophical discussion about number one, opening that up or not. Number two is realizing, and statements have been made to me, that you are probably not looking to have the flow to the Harrison Square project but what other projects may be out there. So that is a future discussion. From a high level, the total cost of the project at this point is what?

Mark Becker: We are at \$128 or \$129 million because of the proposal on the hotel that has come in.

Paul Moss: And of that, the private fund portion is what?

Steve Brody: Approximately 52% private and 48% public.

Paul Moss: So if you look at the 48% public on a pie chart, that is projected to be broken up, in terms of the funding, in what way?

Mark Becker: Again, 80% of the City's portion is project generated revenues, largely by the hotel development. That is why it is so important to the project.

Paul Moss: So 80% of the 48% of the total project is really dependent on the success or occupancy levels at the hotel and any retail and things of that nature. I think that is where some people have a philosophical concern about it. That is an unknown. Frankly, I applaud someone willing to take that risk. There is obviously a risk there and that is where some of the concern comes from. The known piece of that is the public guarantee behind that. That is where the rub comes in.

Mark Becker: That is why we are working with Crowe Chizek and others to estimate those revenues. This is not an unusual process that we are involved in. The revenue streams we are projecting are conservative and the portion of those revenue streams, that we are dedicating to the project are conservative. So we are building backups into it. Steve can speak to this more because he comes out of a development career. The ones we are working with have stellar track records in hotel development and management and have a good record in Indiana. Based on the analysis that we did looking at the feasibility as well as through the work that the Grand Wayne Center has done, we wanted to capture the larger market for what they do.

Paul Moss: The only thing is that people said basically the same thing about the Hilton Hotel and it went bankrupt. I have a memory of that. I don't know how many people remember that. It is risk. I applaud you being willing to take that risk. I think you are really doing a good job of trying to address that and having all of the public meetings. Councilman Buskirk?

Roy Buskirk: Mark did bring up the Grand Wayne Center and the tremendous job that they are doing since the expansion program. Most convention centers are booked out for four or five years in advance. I think that is partly what the hotel is hinging on, the record that the Grand Wayne has had. I think it can only be improved with the second hotel. The Grand Wayne has said that some of the conventions that they have gone after want more rooms.

Steve Brody: I agree with you. The Grand Wayne is currently booking into 2012. Our results since the expansion have been excellent. We have had more than 200,000 people come through the doors last year. But we are missing

out on an opportunity to attract some of these larger regional organizations that need more quality hotel rooms.

Roy Buskirk: My personal opinion on one of the drawbacks of the Grand Wayne is that they do not promote locally and let people know what is going on. Sometimes it is hard to know what is going on behind those walls and it is hard to see all of the activity that they are having.

Steve Brody: We certainly agree with your comment. We began taking steps to remedy that. We held an event at the Grand Wayne two or three weeks ago and it was an annual report to the public. It was about what is going on inside of those walls. Oftentimes, people driving down the street, don't see hoards of people milling around in that public area there. It doesn't mean there is nothing going on in the facility. We are going to do a better job of communicating with the public on that.

Cal Miller: I did have an opportunity to attend the meeting last night at the Allen County Public Library and it was the first time I had been in there. Among the things that the CEO, Jason Frier, indicated distinguishes this project from other projects is that Phase One is going to have the hotel, the condos, the parking structure and the ballpark. The other cities' projects were just ballparks in the hopes that the other things would come. That investment is there. To hear this discussed as a catalyst for downtown, the pulse of the City is picking up. With the new library, the Grand Wayne and the things that have been done to improve downtown, I welcome the opportunity to go to as many Wizards' games as my wife will allow me to take my two kids to while I look at the beautiful skyline of Fort Wayne. Then we can go to the library and spend a whole day in there doing whatever we can do. I support this project 100%. I support the effort that the Mayor's office and the City Council's consideration of this project. I appreciate the great perplexities and would love to see this happen, as a person who will spend the rest of their days in Fort Wayne, to enjoy the legacy of this project. I applaud you for having the guts and understanding that this is not without risk, but the guts to make a decision to leave a lasting legacy on Fort Wayne. I join you, when you say that this is the most exciting and largest scale project we have had for Fort Wayne as long as we can remember. I wish you all the best when you take this to City Council and hopefully get an approval that will serve us all.

Paul Moss: Councilwoman Hughes and then Councilwoman Johnson?

Paula Hughes: I have been involved for over a year now when the Baseball Plus committee started functioning and I am not sure that I coined that term. I appreciate the kudos for it but I am just not sure. This project has exceeded

every expectation. In many ways, the stars have aligned. I could go on but I would be echoing Councilman Miller's comments. I also want to remind Council that going back to any financial responsibilities or interest that the County might have, if the Harrison Square project did not go forward and the Wizards were to stay in Memorial Stadium, the County would be looking at an expense of \$5 to \$10 million for renovations. We would have to come up with funds to keep the Wizards in Memorial Stadium. If the Wizards were not there, the cost would be much lower.

Maye Johnson: Councilwoman Hughes, thank you for those points. I am terribly excited about this project. As a longtime advocate of downtown revitalization, it is more than gratifying to see this development take place. I applaud your efforts. I support it 100%. I look at the opportunities that are inherent with this project for corridor development. Being a resident of the East Central corridor, I look forward to it. I can see it. As someone who has lived long enough to remember the vitality that downtown Fort Wayne once had, it has been a long time coming. Let's get on with it. Thank you for your effort.

Paul Moss: Councilman Vogt?

Darren Vogt: It impacts us from a financial standpoint. Whether it is refurbishing or an alternate use or we look at turf or we look at demolition and reconstruction of something else. How long until you have the things fleshed out, to the best that they can be fleshed out? I know you have a timetable and are trying to get those things done but that would be great information for us to have so that we can start our conversations.

Mark Becker: Exactly. Paula is a part of the committee along with Walt Branson, Randy Brown and a number of other people. They are looking at this and we have a firm that is assisting us in evaluating what the options might be. Last week we had a series of meetings that gave us the opportunity to talk with a number of other entities that might have potential use for the facility. We have a broad approach as to who might use the stadium. In selecting the firm, we said we wanted to work on a very quick timeframe to know if there are other viable alternatives. They will have enough analysis completed by the end of March, hopefully. They are not only looking at alternative uses but if there are alternative uses, what costs for modifications would be. Also looking at what maintenance costs would be. If there are viable alternative uses or if the recommendation is to demolish it, then there would be another phase with that group to understand specifically what those costs would be.

Darren Vogt: I appreciate you taking the time to educate us on this project. This thing has gained a lot of momentum and taking it to the public is really a great idea. They need to have an understanding that this isn't just a ballpark but is an economical development tool and who knows what can spawn from it. At the meeting last night, Mr. Carmody said that his phone has started ringing with a lot more interest and a lot more development potential downtown. I wish you luck and this is definitely worth supporting.

Paul Moss: Do you have a fairly clear idea of what the City's CEDIT revenues are for five years? My question is what percentage of that is going to be dedicated to this?

Mark Becker: It is a small percentage of the overall total. We could have Pat Roller meet with anyone who wants to in order to go over that information.

Paul Moss: So there will be bonds for a portion of this? What portion will there be bonds for?

Mark Becker: The public's portion. I am not sure of the exact amount.

Paul Moss: Roughly \$40 million would be bonded. And the expectation is that it would be paid back out of CEDIT?

Paula Hughes: Not entirely.

Paul Moss: One of the comments made by Mr. Fryer, he seems very knowledgeable, is that it used to be that it was cheaper to build new than to renovate. That has changed a bit over time because of a variety of reasons, Hurricane Katrina being one of them. If you extrapolate that out and think about it, one would argue that Memorial Stadium, while there is some cost there, should be renovated. It could be renovated into a world-class stadium for less than what we are putting in down here. The issue then becomes location. The question that I have is why is downtown a better location than where it is now?

Steve Brody: The issue for us is that if you put the additional \$10 million or so into Memorial Stadium, you need to ask what is the economic benefit that the community is going to derive from that? Will it spur any kind of additional development? I am thankful that Memorial Stadium was built and we have been fortunate to have had the Wizards for the period of time that they have been there. I am not sure that the stadium has spurred any economic development where it is located. While we would spend fewer dollars to bring Memorial Stadium more up to standard for minor league stadiums, we look at the downtown opportunity. While more dollars are being

spent, on day one we are getting the retail development, the condos and hotel development. There is also the expectation that we will have future phases that Hardball Capital will do. The retail and the condominium would not happen without the stadium downtown. I think it is all about the impact and the leverage of the dollars that you would be spending in each of these locations.

Paul Moss: One could argue that the Coliseum corridor is a pretty active area. There is a lot of retail out there. Now whether that is because of the baseball stadium or not is questionable. One thing is pretty clear in that there have not been public subsidies to assist in building up that area. It has basically been done on its own through private investments. You are kind of saying that the baseball stadium didn't do anything out there but it is going to do something downtown. The reason it is going to be a catalyst downtown is because taxpayers are going to subsidize it. Let's at least acknowledge that to a certain extent.

Paula Hughes: Councilman Moss, I am sorry to interrupt. The baseball stadium came after most of the major retail development in the Coldwater and Coliseum corridor that you are referencing. I have not seen any significant improvement or increase in the retail development since the stadium was built.

Cal Miller: While we are jumping on Councilman Moss, I might add that I haven't seen a whole lot of people crossing the streets and walking around and enjoying the atmosphere of Coliseum Boulevard for fear of getting whacked by the traffic.

Paul Moss: It is kind of interesting that when you start to question this stuff, you get attacked. That is a very legitimate point. That is one of the differences that I happened to see. You can't walk around the Coliseum area. The other part of that too is that you also have the IPFW campus which I think is becoming very vibrant. They have housing out there now and having a campus that is continuing to grow is a key to a community. From a location standpoint, that area could be a very viable area. We are potentially going to pull something out of that area and move it downtown. Again, this is a very interesting project and I appreciate your willingness to listen to both sides of it. I personally have not decided whether I support it or not. I am happy that we don't have to make a vote on whether we are going to give you any CREDIT dollars or not. It is very interesting to learn more about it and I think that is the key at this point.

Mark Becker: One thing I would say, in respect to the Memorial Stadium, is that the Commissioners and some others have said they would like to see

some alternative uses for the stadium. We want to leave the door open in case we need to come back to it with a proposal. If the resources that we have defined are not sufficient for the project we have defined, then we need to have a dialogue. I also want to say that we are not having this conversation because it floated out of nowhere. It is because there has been a lot of thoughtful planning done in the downtown area. The fact that we had a switch in ownership of the team and the developers and so on has accelerated this. The opportunity for us to seriously consider this is because of all of the hard work that has gone on. We couldn't have done this a couple of years ago because we didn't have the flexibility to do what we can do now with the Jefferson Pointe revenue stream and CRED. There has been only a \$2 million investment in downtown Fort Wayne in a decade and that is abysmal.

Paul Moss: Councilman Vogt?

Darren Vogt: The Southtown project probably didn't take near the scrutiny that this project has taken and yet a lot of public funds were used on that. The original numbers we talked about, the split in money was about the same and eminent domain was used in Southtown which was even more controversial. What is the split with Southtown as compared to this? Is it still approximately the same?

Mark Becker: It was. I think anytime you look at something this complex, with land acquisitions and settling a number of revenue streams to help accomplish the project, there is going to be difficulty. The level of public investment and private is (inaudible). The scale of the project and the public perception is greater, depending on the project.

Darren Vogt: There are now, in the Southtown example, things have started to develop. Wendy's is starting to build and some other buildings in that area. The strip mall is now being privately developed. The catalyst is moving forward and we hope that continues to go in that area.

Mark Becker: What you do is you plan and you implement it and compete against the comprehensive plan. If you don't have a plan and try encourage reinvestment in the heart of our city, guess what? It is more complex to redevelop land in the downtown area.

Paul Moss: Are there any other questions or comments? Thank you for coming and taking the time to talk about this. I thought it was very useful. Ed, would you like to come up and talk about the addition of temporary resources for completing the network migration?

Ed Steenman: Good morning, Council. Ed Steenman, County IT Director. I am not here asking for money today. This is just a discussion item to let you know what is happening. The City and the County are moving forward on a project to revitalize, regenerate and improve the network that all of the employees use. The City and County both share the network storage and servers that are in place today. We are in the process of making a pretty radical change. After doing a pilot project last fall, we found that the time that it takes to migrate each desktop was literally about double what we had projected. As a result, the project duration had to be pushed out. As we struggled with that result, we didn't move forward on adding resources to counteract that. As we have started to move forward, we started to identify other projects that are being severely impacted by the fact that we can't get the migration project done. There are ten projects that affect a number of departments and there is either no movement on those projects or very little that we can apply until we get the network migration project done. The only way to do that is to add additional technicians on a temporary basis to attack this migration project. Clifford Clarke, the City's CTO, and I have established a line in the sand of September as when we really need to get this done. We would like to have it done sooner but there is a point of adding technicians where they are stepping on each other and it doesn't make good sense to add a whole bunch. You just don't get your return on investment. I have moved forward on adding some additional temporary resources because it is such an important project to get completed. I was willing to take the risk and spend some dollars that I have in my 300 series budget and am going to transfer those to contractual. The issue will come towards the end of the year when I have maintenance agreements that will come due. Spending this money early in the year will leave me with a deficit at the end of the year. That is what I am looking for your support on is when I come at the end of the year and ask for an additional 300 series appropriation, I might get your support.

Paula Hughes: The conversation that Mr. Steenman and I had was that this would be somewhere in the \$70 to \$90 thousand range of additional resource. Correct?

Ed Steenman: I had originally said \$70,000 and part of what I gave you shows an amount of about \$82,000. That is because I used the wrong hourly rate for the resources. These rates are what we are actually paying.

Paula Hughes: This project is crucial to the foundation of all of the technology for the County. The project is creating a logjam. It is stopping other projects like the iMAP server which is continuing to fail on a regular basis. They can't get to replacing that server because it is log jammed behind the other server project. There are so many departments impacted by this. I know I had a

number of side bar conversations with Council that I feel there are enough of you who agree with moving this forward.

Paul Moss: Any other questions from Council? You make a strong case and appreciate the description of the issue.

Ed Steenman: I will be glad to keep you informed while we move along on this. I am banking on the fact that we will be done with this by September.

Paul Moss: Thanks for your time. Okay. We are going to talk now about the potential reduction of the tax levy. This is an issue that was discussed at length yesterday in our subcommittee meeting. I am happy to defer to Councilman Miller to bring this up. This is something you have been championing all along.

Paula Hughes: I am going to hand over to Councilman Miller the resolution that the Auditor's Office prepared. You have been the champion on this project and so I will let you have the honors.

Cal Miller: Thank you. Certainly with the collective efforts of every member of County government and at the direction of County Council, as evidenced today with the ability to make a loan to Wayne Township, has positioned itself in a much more favorable financial position than what the County had been three or four years ago. That situation has been remedied through the hard work of everyone in County government. We are now in a position to add to a commitment that this Council made in passing a budget that does not max out the levy. We agreed to at least hold back \$100,000 which is a feather in the cap and is a good way to demonstrate what the County Council can do. This is going to be a more indirect way. Because of the concerns that County Council had about reducing the levy with the legislation of use it or lose it, if we created a levy that is less than what we can do, we may never be able to get back up to the max levy if needed. Through the ingenuity of the Auditor's Office and in connection with the Office of Allen County Child Services, it was recognized that their levy could be reduced by \$400,000. There will be a favorable impact on the tax rate for 2007. So the resolution is, and after talking to the Department of Child Services, is to reduce their levy by \$400,000. When you add that with the \$100,000 that the County Council had already pledged to reduce its levy that is half a million less than could have been collected. It is a very fine step in the direction as we continue to look at ways to be more efficient in local government. With that said, I am going to move to adopt the resolution--

WHEREAS: The Allen County Council has determined that the Allen County 2007 Tax Levy is excessive for the property taxpayers of Allen County; and

WHEREAS: The Allen County Council has determined that by reducing the operating balance on the 2007 Children Psychiatric Residential Treatment Fund Budget Form 4-B by \$400,000, the Children Psychiatric Residential Treatment Fund property tax levy will be reduced by same; and

WHEREAS: The Allen County Department of Child Services and Division of Family Resources 2007 operations will not be affected by the property tax levy reduction.

THEREFORE BE IT RESOLVED:

With the aforementioned action, Allen County will reduce the property tax levy for the 2007 tax year by \$400,000.

Roy Buskirk: Second.

Paul Moss: We have a motion and a second. If there any further discussion, I would like to make one comment. I applaud this and am certainly in support of it. If there was more focus on the types of things that Councilman Miller is trying to do, and the rest of us, the citizens would certainly be better off. With that in mind, if there is no additional discussion or comments on this, I call for the vote. All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. Make note of that, in the media that we just reduced the tax levy by half a million dollars.

Paula Hughes: Are we the only public entity to do that?

Paul Moss: Nobody else comes to mind.

Darren Vogt: When was the last time that was done in the County?

Lisa Blosser: I don't know that it ever was.

Paul Moss: The next item, and somewhat related, is the Tax Adjustment Board. As you all recall, at the last meeting, we did vote on a resolution to reinstate the Tax Adjustment Board. There has been some information and I need to distribute this to you. I asked for and received recently, a summary of the responsibilities of the tax board, the timing of their work and clarifying what we were to do. We have one appointment and I thought that we couldn't appoint an elected official. That appears to be inaccurate and actually we are required to appoint one of our own to this. It appears that the Commissioners have four to appoint and they are not to have elected officials. I have submitted one name to the Commissioners that I hope they will consider for the board. If any of you have any thoughts on individuals that you would like

to submit, we have to get it done because we have to have them done by April 15th. We have to make a decision on who of us is going to be the lucky one who gets to spend time looking at a lot more budgets. Does anybody have a motion to that affect?

Roy Buskirk: I will make a motion that Darren Vogt be our appointee to the board.

Cal Miller: How long is this appointment?

Roy Buskirk: A year.

Cal Miller: If Darren Vogt is interested in taking on this important task, I will second that. I will say that at some time during my remaining tenure with Council, I would welcome the opportunity to serve as well.

Paul Moss: We are going to put you on the Personnel Committee first. You have to serve on that before you get to this.

Cal Miller: That may never happen.

(Laughter)

Tera Klutz: That is a lot of time. It will be every day in October.

Paul Moss: It is a time commitment. It certainly makes sense to me to have Councilman Vogt do this because he has been involved in this from early on. He has been involved with the legislature and I think that will continue. Are there any additional comments? **Hearing no other questions, comments or concerns, will all those in favor please say aye? All opposed same sign. The motion carries 7-0.** Hearty congratulations to you.

Darren Vogt: Council, I do hope that I will have your ear as the representative and you will have mine. I will lean on you guys for comments and clarity on any questions I may have. I will share all of the information I have with you. I look forward to this challenge.

Paul Moss: A couple other things. On the recent and upcoming meetings, there was a Personnel Committee meeting recently and I think everyone was aware of that. There will be another Personnel Committee meeting coming up March 22nd. I do want to mention that I would like to have a conversation with Council in regards to the food and beverage tax. The level of urgency has decreased somewhat because it has been taken off the legislature's agenda. I have no doubt it will be revived over the summer. At some point we are going

to have to call a meeting to have that as a specific discussion issue. We need to have as much consensus on this as possible because if things change at the legislature, one thing is clear that it will come right here for us to make the official adjustment. There will be a big public debate and I want to make sure that we are aware of everything. The other thing that I want to bring up is the Zoo and the African Journey project. You were all open to committing some CREDIT funds to that project. I believe that we should still do that. I have been talking to some of the City people and would like them to give the same amount. We talked about \$500,000 over two years. I think it is a reasonable number. I personally believe that this is a very important project. It is self-sustaining from an operational perspective. I think it would be a wise use of economic development monies. What I would like to do, and I proposed this to the Zoo, is to have a meeting at an offsite location and public notice it. There would be City Council, some Parks Department people, someone from the Mayor's office, the Commissioners office and anybody who can attend. We would allow Jim Anderson and his people to do an in-depth presentation on the African Journey project and talk in detail more than what most of you have heard. I just want to forewarn you that I want to get the City and I am going to talk to Councilman Schmidt about that. We will be looking at early summer to pull this together. Does anybody else have any past meetings that they want to talk about or any upcoming meetings?
Councilman Vogt?

Darren Vogt: Councilman Buskirk and I went down to Indianapolis to discuss with Tony Armstrong to discuss the juvenile debt. We have a couple of issues that we are dealing with. One is that we house DOC (Department of Corrections) holdovers when they violate parole and that creates some potential revenue. There are a couple of other minor issues that I am following up on in a letter and you will get a copy of that letter as soon as Becky can get it deciphered from my scratches. It was a good meeting and we are moving forward with some creative ideas.

Paul Moss: Does anybody else have anything they would like to bring up?

Paula Hughes: Move to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council meeting of March 15, 2007.

Darren Vogt: Second.

Paul Moss: 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 carries 7-0.

Darren Vogt: Motion to adjourn.

Roy Buskirk: So moved.

Paul Moss: We have a motion and a second. All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. The next meeting will be held on April 19, 2007 at 8:30 am.

There being no further business the meeting was adjourned at 10:43 pm.