

**ALLEN COUNTY COUNCIL
MEETING MINUTES
MAY 17, 2007
8:30 AM**

The Allen County Council met on Thursday, May 17, 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; Bill Brown, Commissioner; Linda Bloom, Commissioner 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 April 19, 2007. Roy Buskirk seconded it. Motion passed 7-0.

FINANCIAL REPORT:

Lisa Blosser, Auditor: The amount we have left today for appropriation in the County General Fund is \$444,336. For your consideration today, there is one request for an additional appropriation in the amount of \$1,800. I am expecting to receive a certified budget by mid-June and at that time the DLGF will approve all of the additional appropriations.

Paul Moss: Are there any questions for Auditor Blosser? Councilman Vogt?

Darren Vogt: I always ask the same thing on that. Are there any percent of totals on collections that appear to be behind other than normal collection process timing?

Lisa Blosser: We are at 36.45% with 33% of the year past.

Cal Miller: Do you know when the tax rate is going to be set?

Lisa Blosser: Mid-June.

Darren Vogt: Move for approval of the financial report.

Cal Miller: 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.

Moving right along, item 1 is for the Cedar Creek Township Assessor.

Councilwoman Johnson is the liaison. Is there someone here from the Township?

Does anyone care to advocate on behalf of the Cedar Creek Township Assessor's request?

Cal Miller: Move to table the request.

Paul Moss: Have you had any interactions on this?

Maye Johnson: It was my understanding that she was to be here.

Paul Moss: Okay. Would you care to move to table this?

Maye Johnson: I will move to table.

Cal Miller: Second.

Paul Moss: All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. Items 2 through 5, appropriate in Project Income Fund 236. Councilman Vogt?

Darren Vogt: As most of you know, this is further restructuring of her department based on needs and what they do. She has provided us with lots of information but I will let her explain it in detail.

Sheila Hudson: Good morning, I am Sheila Hudson and I am the Director of Allen County Community Corrections. Through the efforts of a very efficient and qualified controller, we have done a good job of managing our budget income over the last fiscal year. We have done a better job of collecting fees as people come into the program. We have generated a positive income of over \$150,000 in Project Income and would like to spend \$103,052 before the end of the fiscal year. The document that I handed you correlates to what I am asking for. The Indiana Legislature has put in place many new laws that affect serious, violent and sexual offenders. There are new laws for sex offenders that say you need to have active GPS equipment. You have to have precise locations on offenders that we supervise and you have to have immediate law enforcement response. Much of the equipment has to do with supervising the types of offenders that we have under supervision at Community Corrections.

Darren Vogt: I would like to say thank you for the detail and the information because it makes it a lot easier when we have this ahead of time. The dollars and the things that are being purchased, it is refreshing to have all of this documentation so that we can make educated decisions.

Sheila Hudson: Thank you.

Roy Buskirk: I would like to make one comment. The information that you are referring to is not the same as what she just handed out. The information was already in our packets.

Darren Vogt: Right. One quick question though. Your pass-through and your fees, how are you doing a better job in collecting those?

Sheila Hudson: We have changed how we are doing that. The Controller came to me and asked what I thought of putting together a financial assistance program. In this, offenders would make application for a reduction or waiver of fees. If somebody loses a job or someone is ill for a period of time and we have many who are mentally ill and applying for SSI. We will reduce their fees and if SSI comes through, we will waive the fees all together. By reducing the fees, it has allowed the person to pay their fees. We have seen persons really make an effort to pay because we work with them. That has been the biggest difference in the collections.

Darren Vogt: Great. Thank you.

Roy Buskirk: I make a motion for approval of items 2-5.

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.** We have three salary ordinances. Would you like to talk about those as well?

Sheila Hudson: Yes. I am requesting to amend the full time Substance Abuse Counselor to a Mental Health Therapist Section Chief. All of these positions have been before the Personnel Committee a couple of months ago. One of the reasons is because based on what you are seeing on the violent offenders. We are doing full blown mental health evaluations on these people. Councilperson Hughes asked me to give you the numbers on the offenders that we are serving and that is in the document that you received. By knowing what is going on inside their heads, it gives us an up on what we need to do.

Paul Moss: Just to clarify, the three new Home Detention Officers are not additional FTE's.

Sheila Hudson: Yes, they are. Through the years, the number of special deputies has decreased and I have increased the number of part time County Sheriffs and part time City Officers that we use. What happens with that is that the officers work the hours off of their own schedule. You don't have people that are on call and responding to electronic monitoring violations. You don't call the part time detail

officer in to do that, you call your own full time people to do that. In hiring these other officers, it will save me from hiring more detail officers.

Paul Moss: Are there any questions?

Patt Kite: There is a mention in here about sexual and violent offenders. Are you working with the Sheriff's Department? They have guys of the sexual offender registry.

Sheila Hudson: We are meeting this afternoon. There are many issues on residency and it is going to become a bigger issue, not just for sexual offenders but also for people coming out of prison who were charged with rape and voluntary manslaughter before they went to prison. We have very close contact with the Sheriff's Department on this.

Patt Kite: Are you anticipating a full third shift?

Sheila Hudson: Hopefully.

Patt Kite: How much will they be able to do overnight?

Sheila Hudson: That is when almost all of our calls come in. When you have people under house arrest, you get your domestic calls. Any time between 1:00 a m and 5:00 a m, there is a lot of activity.

Patt Kite: Okay. Thanks.

Paul Moss: Councilman Miller?

Cal Miller: Ms. Hudson, on the new positions, are all four of those coming out of the 236 Fund?

Sheila Hudson: Yes they are.

Cal Miller: Will that fund be able to sustain the four positions?

Sheila Hudson: Yes it should.

Paula Hughes: Move for approval of an amended salary ordinance reclassifying a position within the budget of the Community Corrections for the Mental Health Section Chief from PAT 4 to PAT 5.

Roy Buskirk: Second.

Paul Moss: All in favor signify by saying aye. All opposed same sign. The motion carries 7-0.

Paula Hughes: Move for approval of a salary ordinance setting the pay for the Case Manager at a PAT 3 with annual income of \$33,616.

Roy Buskirk: Second.

Paul Moss: All in favor signify by saying aye. All opposed same sign. The motion carries 7-0.

Paula Hughes: Move for approval of a salary ordinance setting the pay for Home Detention officers, classification POLE 4 with annual salary of \$35,618.

Roy Buskirk: Second.

Paul Moss: All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. Thank you. Item 6 and 7 are appropriations in Family and Children Services. Welcome. Please introduce yourselves for the record.

Michelle Savieo: Good morning. I am Michelle Savieo, the Director of the Allen County Department of Family and Children Services.

Linda Haggengjos: I am Linda Haggengjos, Accountant with Family and Children Services.

Michelle Savieo: We have come today to request two appropriations. The first is for \$100,000 and is money coming from the Child Welfare funds from the State of Indiana. The purpose of this is for the network of Safe Families. Last year, we talked about a new prevention program that the state has implemented. This happens prior to our involvement when there is no abuse or neglect. They provide this money to fund this program. The intent is for children and families to not have to become involved in our system because there is prevention. This \$100,000 is for Region 4 of Indiana and we are acting as the fiscal agent of the money.

Paul Moss: Councilman Vogt?

Darren Vogt: Do you monitor the effectiveness of the programs?

Michelle Savieo: The Regional Service Council is made up of community members such as the Department of Child Services and Foster Parents. They monitor the outcomes of this program. They meet monthly and get information on how many families are being provided and how long the service is.

Darren Vogt: Do you know what kind of outcomes they expect?

Michelle Savieo: The long-term outcomes they expect are for those families to not become involved in the Department of Family and Children Services.

Darren Vogt: So it is a preventative before they get to your office. What I am trying to link is would there be anyone tracking that program to see how many of those families end up in yours? If they are servicing a number of families and you are still seeing them come to your system, then something is not working very well.

Michelle Savieo: We are still working on the confidentiality issue on that end. We would like for the families not to feel like that their names are going to get to the Department of Child Services. This is a voluntary program and is so new and they are still working out the confidentiality piece. There is an advisory council that is working on that.

Darren Vogt: If you could, keep us updated on that. We are spending taxpayer dollars and should be able to monitor the success of this.

Paul Moss: When you talk about community programs, are you talking about, for instance, SCAN?

Michelle Savieo: It is a network made up of SCAN, who is the fiscal agent, Park Center as is ARC. There is a track for social services, a track for people with mental illnesses and a track for people with developmental disabilities. They do an assessment through SCAN and then they refer to the program that can best meet their needs.

Paul Moss: I have been on the SCAN board for a few years now and to respond to your question, there are metrics out there that they use to gauge the success or failure of the various programs. Unfortunately, the need just continues to be a black hole, no matter how much money you throw at it. There are successes out there in terms of the individuals who end up in the programs.

Michelle Savieo: The ultimate goal is that we would start seeing a reduction in our numbers. I would like to see us put out of business but that is not likely to occur. Hopefully at some point we could see success by seeing our numbers reduced.

Maye Johnson: Michelle, what are the linkages to other existing social service organizations to know that they are talking to each other?

Michelle Savieo: When a family does come through, they start at SCAN and sign releases for the agencies so that they can have the communication.

Paul Moss: Councilman Miller?

Cal Miller: How are the families selected? Looking at letter of March 9, 2007, it says the services are for the Community Partners program to serve an additional fifty families. What is the selection criteria for the families that will be served by these additional funds?

Michelle Savio: At this time and because the monies are so limited, we have identified a select group based on referrals. A help referral is always accepted. If the family calls and asks for help, those referrals will be accepted automatically. Secondly, we have selected SOCAP, Fort Wayne Community Schools and East Allen Community Schools as referral sources for the program. When we started off in Allen County, we only had ninety families that we were able to serve through this program. This will allow us to have an additional twenty families but we have limited the referrals until we can grow the program and have more money and be able to accept from other sources.

Cal Miller: And these are funds that the Indiana Department of Child Services is offering to our region?

Michelle Savio: That is correct.

Cal Miller: If we didn't use the money here, it would be used in another region.

Michelle Savio: That is correct.

Paul Moss: Councilman Buskirk?

Roy Buskirk: That \$100,000 is actually for covering nine counties, isn't it?

Michelle Savio: Yes.

Roy Buskirk: I was confused because you mention East Allen and the others. Wouldn't there have to be some activity in the other eight counties?

Michelle Savio: That is who we selected for Allen County. Each county has selected their referral sources.

Roy Buskirk: Okay, but the \$100,000 will be used in the other eight counties too.

Michelle Savio: That is correct.

Roy Buskirk: And this is 100% reimbursed by the State.

Michelle Savio: Yes. The State has already deposited this into the Auditor's office.

Roy Buskirk: So as far as we are concerned, this is just a bookkeeping thing.

Lisa Blosser: Yes.

Michelle Savio: Yes. We are asking for the appropriation to spend the money.

Cal Miller: Move to approve item 7.

Paula Hughes: 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.

Paula Hughes: Move for approval of item 6.

Patt Kite: I'll second it.

Cal Miller: I would like to hear how that differs before we vote on it.

Paul Moss: Would you like to identify the difference between the two?

Michelle Savieo: On the first request, as you may remember from when we presented the budget last year, the State cut our child welfare funds from about one million to about \$400,000. The other \$600,000 went to this community network. At the end of 2006, we had \$211,291 left over in that fund. We made a request to carry that over into 2007 and to add that money to our Child Welfare fund that had been cut last year. We are asking for the appropriation to add to our Child Welfare fund so that we can offer services to the families that are actually involved with the Department of Child Services. They have allowed us to carry that over and so we came today to request the appropriation.

Cal Miller: If the money was not used, what would occur then?

Michelle Savieo: It would return to the State.

Cal Miller: To the State's General Fund?

Michelle Savieo: Yes.

Cal Miller: We are getting dissension from the Auditor's Office.

Linda Haggenjos: It is the State's money. It is 100% reimbursable so if we don't use it, we lose it.

Tera Klutz: As far as you would write a check to the State?

Linda Haggenjos: No, it would reduce our next year's budget by that amount.

Tera Klutz: It would stay in the County Fund and be used to calculate their budget.

Linda Haggenjos: And would reduce our budget out of Child Welfare.

Tera Klutz: That money would not go back to the State.

Linda Haggengjos: No, no, no...they would reduce the next year's allotment.

Cal Miller: Let's talk about that. Do you have a need for these funds in 2007 or do you just want them allocated so that 2008 isn't reduced by that amount? I wouldn't be in favor of just rolling it over to have it and spend it unless there was a need to do it. If you didn't use it, it would still be available to you in 2008. Those tax funds rolling over into 2008 would reduce your 2008 budget and thereby reduce the tax levy. That is why I want to know if you are just grabbing it to use it or to avoid having your budget reduced.

Linda Haggengjos: Our intent is to use it. Last year, our Child Welfare account was \$980,000 and this year, it is only \$400,000. We still have services to provide.

Cal Miller: I would like to hear how you are going to use these funds in 2007.

Michelle Savieo: This year, there have been some new programs implemented such as the intensive Family Preservation and Reunification Programs. We would like to get these fully implemented in our county. We would use some of this money to help provide this type of service. The intent of this service is to allow children to get home faster by providing intensive services to the family or to leave children in their homes and giving them a safety net so that we don't have to remove them. With that, we intend to see a reduction in our placement costs. That is the highest portion of our budget. If we see a reduction by providing the in-home services at an intensive level, we can have a significant impact on budget reduction of those placement costs.

Cal Miller: Why are the funds, without this request, inadequate to serve that purpose?

Michelle Savieo: Because they were drastically cut by over one-half. It was reduced from a million dollars to \$400,000.

Cal Miller: How much of the reduced amount have you spent in 2007?

Michelle Savieo: To date, we have spent \$138,400. We have not seen all of our bills come in yet for the first four months of the year.

Linda Haggengjos: There were some problems with some contracts and we haven't seen all of the bills from 2006.

Cal Miller: So for the first quarter, you have spent over a fourth of it.

Michelle Savieo: Yes.

Paul Moss: Councilwoman Johnson?

Maye Johnson: I have a question on the reunification program. Will this help to keep children out of foster care?

Michelle Savio: That is the intent of the program. We can provide up to twenty hours of home-based services to that family in order to do that.

Darren Vogt: Another question. What type of outcome measures are you looking for? I know you say that eventually you get to this where you will reduce the number of placements so I look at this as hopefully that spending a little money here and reduce it there, it will wash out in the end.

Michelle Savio: Exactly. The outcome is that we will see a reduction in numbers. This is based on Home Builders which is a national model that has proven to be extremely successful in keeping children in their own homes. When we make a referral for the intensive reunification program, those children have to be home within sixty days. That significantly shortens the amount of time they are in foster care. Right now, our foster care's average length of time is over four hundred days. If we can limit that to sixty days, we have made a significant impact.

Darren Vogt: So you are spending money on the front end to reduce it on the back end. So to Councilman Miller's concern about reducing taxpayers' burden, this is a program which will eliminate or reduce that.

Michelle Savio: Yes.

Paul Moss: To tack onto Councilman Miller's comments, it is always difficult to have those types of questions because these are important programs. I am a little confused about the budget cuts that you had. You said you had close to a million dollars and it was cut to \$400,000. But then you said you were trying to start some new programs. What programs have been eliminated as a result of the budget cuts? Help me understand that a little bit.

Michelle Savio: We have eliminated the tutoring programs that we offered to foster children. Educational services that we had previously been able to offer to them, also. We have eliminated paying for treatment services for addiction for families. The only money that we now spend the Child Welfare funds on is on the families that are involved in the Child Welfare system. The programs that we eliminated were more of a community type programs.

Paul Moss: Is it your belief then that those activities just ceased to exist or were they absorbed amongst other not-for-profit entities?

Michelle Savio: In talking with some of the providers, they are still trying to run the programs but they are struggling. One that I have talked with is the Transitions Program. It has become challenging for them for the families that access them privately. They have to find the sources to continue to pay for those services.

Paul Moss: Councilman Miller?

Cal Miller: What I am struggling with is that apparently the State made a decision to reduce the funding and locally you are attempting to make a decision with a request for allocation that would increase that funding. We are back-dooring the State's decision with respect to the amount of funding that was allocated.

Michelle Savieo: I don't know that we are back-dooring since they have permitted us to carry this over. They have given us the permission to request this appropriation. What they did was diverted a lot of the funds to a new program.

Paula Hughes: I would argue, Councilman Miller, it is not back-dooring the State if it is local interaction with the budget. These are State programs that are funded by county property tax money. There is give and take and a check and balance between the two. My understanding is that the State cut this budget. You knew before the end of the year that the budget was going to be cut and you saved enough money in the fund to carry over for the next year in hopes that you could do what was needed to adjust the programming. It is a transition time and that carry over is a part of that transition. Is that a correct understanding?

Michelle Savieo: That is correct and ultimately what I have heard is that in 2008, we might not even have the \$400,000. We may not have any money in this fund. There intent is to eventually take all of the Child Welfare funds and put it into prevention.

Paula Hughes: But there is always a balance between the local need and matching that with the direction that the State is going. The work is being done at the local level to implement what the eventual direction change is. Call the question.

Roy Buskirk: Question.

Paul Moss: As I recall 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 5-2 (Miller and Moss). Thank you very much. The Sheriff has requested that we move him up a little bit because he has some issues that he needs to deal with. We will move his grant request and salary ordinance. Please introduce yourselves for the record.

Ken Fries: Kenny Fries, Allen County Sheriff.

Kevin Neher: Officer Neher, Allen County Sheriff's officer and School Resource officer for Northwest Allen County Schools.

AJ Pape: AJ Pape, School Resource officer at Southwest Allen.

Lin Wilson: Lin Wilson, Grant Administrator.

Ken Fries: Are we going to do the grant first?

Paul Moss: Yes, if you would please.

Lin Wilson: This grant is through the Youth Institute and would provide each of the officers \$750 to attend training in Orlando, Florida. It is specifically for school resource officers. They will be getting more information on school security, lock down procedures, building mentoring relationships with kids and encouraging peer reporting of others with drugs in their lockers. The grant will pay for the registration, part of the lodging and the Sheriff will cover the balance of the transportation and per diem if they get the grant. If they don't get the grant, they don't go. That is understood by all parties involved. I will let the officers talk about what they do at the schools and why the grant and conference would be beneficial.

Kevin Neher: This training that takes place is put on by the National Association of Resource Officers. This is the 17th annual conference and is our only opportunity to receive training specifically for what we do in our police department. What AJ and I do is specific to us only. None of the other officers deal with the issues that we deal with. This training is five solid days of training designed for what we do. The beauty of this training is that you can tailor it to what you think is important for the school district or for you as an officer. Officer Pape has a year and a half more training that I have within the schools so things that might be a high priority for him might not be for me and vice versa. I talked to two of the SRO's in Dekalb County and they have attended for the last five years. They talked about how great the training is and how every year it is different. There are updates on things that are changing in the schools and the laws relating to them. It is also a great way to network with other officers throughout the country and what is working for them in their school district. I think Officer Pape is going to touch on a networking experience that has really greatly impacted our community. In the schools, with the technology changing so fast, we have to keep up to date on the training we get so that we can keep a step ahead.

Paul Moss: I am not so sure it is our role to decide what conferences you go to. It sounds like it is a useful conference and I personally think that the SRO program is a great program. Does anybody else have any other questions?

Paula Hughes: Move for approval of the Indiana Youth Institute Professional Development Grant.

Maye Johnson: Second.

Paul Moss: We have a motion and a second. Is there any further discussion?

Darren Vogt: I do have one quick question. Are the funds coming from Commissary?

Ken Fries: Yes.

Darren Vogt: That is what I figured.

Paul Moss: All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. Do you have your dog yet?

Kevin Neher: We have it narrowed down to two and hopefully by tomorrow we will have it down to one after we hear from the vet.

Paul Moss: Great.

Ken Fries: Now we are going to move on to the RN Supervisor. What we are hoping to do is to get this posted immediately. This was PAT 3 and now is PAT 5. We have posted this job once in the past week and none of the applicants passed the background or polygraph test. We are asking Council to approve this at the PAT 5 and hopefully get some qualified applicants.

Paul Moss: This was a pretty lengthy discussion at the Personnel Committee meeting and have the issues been resolved with regards to the HR Department's evaluation of his description relative to other RN's in the County? This movement, which I think is appropriate because if you look at the market and what they will be doing, you will probably still have some difficulty finding people willing to take on that position. I do want to make sure that the RN Supervisor position description does not apply to all other RN's. Has that been resolved?

Ken Fries: That has not been resolved. What we are trying to do is to get this bumped up enough to where we can advertise this job and hopefully get somebody and then Human Resources will have time to get this determined and written out and they can be PAT 6's.

Paul Moss: I believe it is a critical need. I will defer to Councilman Buskirk and then Councilman Vogt who have some comments.

Roy Buskirk: So that the rest of the Council members understand what we did Tuesday in the Personnel Committee, we recommended that we go ahead at a PAT 5 even though it is a supervisory position. This was so that the Sheriff could post this job. It is going to be reviewed and hopefully increased to a PAT 6.

Darren Vogt: My comments are not directed at this request. This has been going on for several years. When we get this close to our budget cycle, we will know who will need additional staff and what the budget implications will be. My concern is that as we move forward and increase these salaries, it increases our budget lines for 2008. I would really like to have discussions amongst the other Council members for holding off new salary ordinances until after we get through the budget pre-allocation meetings. That way, we will know who needs what from a personnel standpoint. We could then put them in a priority because we could not have enough funds to go

around for everyone. The timing of the Personnel Committee and when they meet and when we approve positions going forward for the next year, we need to talk about the timing and how that works. We are so close to the overall impact for the 2008 budget that it doesn't make sense to approve things for now when we know there are potentially others coming.

Paula Hughes: I would comment that in an ordinary year, those would be appropriate comments. This meeting yesterday was the first opportunity that any department had to submit any of these reclassifications requests because of the on-going internal and external inequities process that has been going on far too long. There was a little bit of a rush in yesterday's meeting because of this being the first opportunity in over six months. I am less concerned with the timing and the closeness to the budget session because these are requests that should have been heard in January and February. We could consider these on a case-by-case basis but I don't think it should be a blanket directive across all of the position requests.

Paul Moss: I think prospectively that is a very good point and something that we should deal with but I don't want to hamstring anybody. The issues that we dealt with in Personnel Committee were all pretty critical issues.

Cal Miller: With respect to the Sheriff's salary ordinance request, I would like to make a motion...

Paula Hughes: If I could make a comment because we are having some conversation about the discrepancy about what was discussed in the Personnel Committee yesterday and what is in front of us for today. I understood this to be a single supervisor position but now you are saying there are two?

Ken Fries: There are two.

Paula Hughes: The salary information that is on the salary ordinance is different than what was on the request form yesterday. Yesterday, it was proposed as a current...

Lisa Blosser: I think there were two RN's and one director. So there are actually three positions.

Ken Fries: There is a Director of Medical Services and then the two RN's.

Paula Hughes: So that was the Director of Health Services?

Paul Moss: Correct.

Paula Hughes: Did we table that or what did we do with that?

Ken Fries: I think I am to come back in June for that.

Paula Hughes: Okay.

Paul Moss: We did talk about this because I remember asking if they were going to be covering two shifts but we did talk about the two.

Paula Hughes: I was confusing this with the Director of Health Services.

Roy Buskirk: It would be nice if we had typed minutes of our meetings so that we could refer to them.

Cal Miller: Move for approval of the amended salary ordinance for the Sheriff's Department for two RN Supervisors.

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.**

Darren Vogt: Auditor Blosser, if you could keep track of these for our 2008 budget because we have already decided, in theory...

Paula Hughes: This is being funded within the existing budget and shouldn't make a difference.

Darren Vogt: But there are some that are coming that aren't and so we need to keep an eye on that.

Paul Moss: Okay. We are on to item 8, appropriation in Youth Services Fund 737.

Chris Dunn: Good morning, Chris Dunn with Youth Services. I want to start off by saying I had met with Darren and got a verbal lashing for not providing enough information to the Council and I want to apologize for that. There is no excuse other than I just didn't know what to provide them with.

Darren Vogt: Let me defend him because when we met, he did have all kinds of information and part of the issue is that there is so much information. When it is program service oriented, it was not comparing buying a copier to a copier. It is service related and there were a lot of differences and variations within the service and programs that were provided.

Chris Dunn: I am requesting permission to use \$6,400 from the 737 Placement Fund to fund a start-up program providing educational/counseling groups for the youth in the shelter. We are currently not providing those services. I looked at four agencies within our community to provide these services. I met with each one individually. I discussed what our ideas were and what our expectations would be. I received proposals back from the agencies and compared them to pick the best one. I had to go in front of my Child Care Board to request people to work on this program and

then to come before Council to request the fund. We have narrowed it down to the Family Care Center to provide the services to the kids. The kids come to us at a point of crisis. They have just been removed from their family for one reason or another and they are expected to sit at the center for two or three months while the courts, probation officers and others investigate the case. They are sitting there and don't have anyone meeting with them regularly to tell them what is going on. We hope that this program provides them with tools and skills to work with the situation that they find themselves in. Hopefully, in the long run, they won't be in these situations again. Some of these kids are in tough situations and we need someone with master skills to work with them.

Paul Moss: Is it your belief that these services are not available elsewhere in the community?

Chris Dunn: They are available elsewhere but no one has determined that they need them at this point. They are still trying to work through the court process. Once they are through the court process, a lot of these kids go back home. Families just aren't providing these services because they don't have the resources to provide them. Hopefully, through this program, we will be able to identify those kids who need much more of the services and then make those recommendations in court and then there would be some follow through after they leave us.

Paul Moss: Are there any questions from Council?

Darren Vogt: Move for approval of item 8 in the amount of \$6,400.

Maye Johnson: Second.

Paul Moss: We have a motion and a second. Is there any further discussion?
Councilman Buskirk?

Roy Buskirk: In the letter that you passed out and this is something that always makes me nervous, you state that you are requesting \$6,400 to cover start-up costs. You must be anticipating on-going costs of more than the \$6,400.

Chris Dunn: Yes, however, the agency that we selected told us that they could get grants to cover the on-going costs. That is on them to go after the grants.

Darren Vogt: The \$6,400 basically covers a two-month trial period while the firm is looking for grants.

Lin Wilson: If I could add, the Family Care Center is going to be going for some federal grants through the Substance Abuse and Mental Health Services Administration. They have grants for youth counseling and they are going to consider some Foellinger funding.

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. Item 9, appropriate in the Drug Free Community Fund 745.

Jerri Lerch: I am Jerri Lerch and I am the Executive Director of the Allen County Drug and Alcohol Consortium. Through the Drug Free Indiana statutes, we participate as a local coordinating council by filling and having approved community wide plans to reduce the negative impact of drugs and alcohol. With that comes a portion of the fines designated for local community drug-free fund. In 2006, the amount of fines that were collected to that fund was \$308,715. We work to allocate those through a funding committee that consists of accountants, stockbrokers, bankers and content experts in the area of justice prevention and intervention. They review requests for grants that we receive community wide. Those are further reviewed by our finance committee and then further reviewed by our board of directors. We are here asking for the appropriation of funds for the organizations. In the spring, we did not receive an adequate amount of grant requests. We will be conducting a second cycle of requests in the fall. So, for this pass in the spring, we are requesting \$240,721 to be allocated to the organizations within the programs that we sent to you.

Paula Hughes: We didn't get those.

Jerri Lerch: You didn't? I have some copies but not enough.

Paula Hughes: While Judy is making the copies, why don't you share with the Council the three areas that you break down the grids into? Then maybe talk about how DAC is growing beyond the original founding.

Jerri Lerch: Good points. The statute calls for, through the OWI fines a portion of the fine is designated to the local drug free community's fund. It is that fund that we allocate and are required by State statute to distribute 25% of those funds in areas of justice, 25% in prevention, 25% in the area of intervention or treatment and the last 25% is what we use to operate the coalition. As Councilwoman Hughes was saying, our coalition has grown to over 150 organizational members, cross sectoring this community. Due to some strategic planning and some work that we have done in the last couple of years, we have seen our role evolve into seeking funds and resources at the State and Federal levels. We have successfully gained two federal grants in that last couple of years and are gaining another State grant this month. Twelve counties in Indiana were granted this State grant and will receive \$165,000 per year. The three areas that you see in front of you, in the area of justice, we are supporting the canine at Northwest Allen County Schools. You will see where the Allen County Sheriff's Department and the New Haven Police Department has been provided video cameras for the police cars. The Sheriff's Department had requested some specialized surveillance equipment and the Police Department has asked for routine supplies. They were requesting \$77,610 and in review by the committee that I mentioned earlier, the board requesting \$68,512. In the areas of prevention, Cornerstone Youth

Center is essentially a fiscal agent for our entire prevention committee. There are more than forty youth organizations that cooperate in October to run a youth event and that budget is under \$300,000. We provide a grant to Youth is Resources in the area of drug and alcohol reduction. It reaches into the schools with drug and alcohol education. The Power House Youth Center in New Haven, the Southeast Youth Council in Monroeville and the United Hispanics are all programs that reach into special populations for youth activities. Of the prevention dollars, we recommend that \$46,530 be appropriated and we know that in our fall cycle, that we will see significant requests. In the intervention and treatment area, it says AADP but they are essentially a fiscal agent for a program that is being modeled throughout the state but was developed in Allen County. Instead of all treating organizations coming to us for support, we have a program that follows individuals for treatment scholarships. Halfway houses can apply for individuals who are in need of services. There are criteria such as being in their recovery for thirty days and have to demonstrate some steps and then we provide a treatment scholarship to agency on behalf of an individual. It is enough to offset their expenses. The organizations get \$250 at intake and they get \$250 at the point of completion of the program. The money for underserved folks follows individuals through organizations. Hope House is a halfway house that has included some enrichment services for families to increase compliance. Lastly is the DAC allocation. That is our core funding that allows us to operate the 150 member coalition that allows us to get State and Federal grants. Because we are able to dialogue, assess the community, plan and carry out community wide and cross sector programs in the Federal and State.

Paul Moss: That is your operating expense?

Jerri Lerch: That is our operating expenses. In that \$82,000, we pull across the board, \$5,000 that we use for staff training scholarships. A lot of the agencies are under funded in training areas and so they apply to us for individual training scholarships.

Paul Moss: You had made the comment earlier that there weren't enough grant requests to spend all of the money that you had.

Jerri Lerch: For the first cycle.

Paul Moss: So then you go out and encourage people to apply? Is that how that works?

Jerri Lerch: Sometimes it is a training issue and technical support in how to write the grant. We require that they comply with our comprehensive plan that we file with the State. To help them understand how their programs do or don't fit, it sometimes requires training. We get grants that we reject because they are not well written or not well targeted. We have rejected, for example, Boy Scout membership drives. It is a noble cause but it doesn't help us with the drug and alcohol issues.

Paul Moss: Any other questions? Councilman Vogt?

Darren Vogt: I will go back to my follow-up question. A couple of these grants are really the people re-granting the money.

Jerri Lerch: Only for the youth and it is a program for youth development. The only one that is a re-grant is the Leadership Program Youth is Resources.

Darren Vogt: Okay. Then what type of follow-up are you using for these prevention programs to make sure that the attendance in these is good and they are getting the desired outcomes? I want to hear how that is followed up on because I don't want to see us spending \$10,000 and have ten kids show up.

Jerri Lerch: One thing that happens is that all of the grantees are required to file six month and twelve month reports that give us compliance and other information. Attendance is one of the last issues that we want to look at. We want to know that learning is occurring and that we are making an impact. Those are tougher numbers to go after but they are part of the process and our efforts move towards outcome. In the area of prevention, that is very difficult. The programs that are called evidence based, they have evidence and research that are successful.

Darren Vogt: So there is a six month and twelve month follow-up.

Jerri Lerch: There is and there are site visits as well.

Paul Moss: Well, I have known you for a long time and you are one of the smartest people I know and I know you won't take offense to this comment. In this meeting, it has been a bit heavy with requests similar to this in terms of various programs and we could take the \$99,000,000 estimated General Fund and apply it to this and still not have the impact that we would like to see. So it tends to be a bit of a black hole and the community is looking at what is the proper role of government. I know you are doing a great job as steward of these funds. Are there any other questions for Ms. Lerch?

Paula Hughes: I would comment that Jerri is being modest but the way DAC has changed in the past three to five years has been tremendous. It is transforming itself into a leader not only for Allen County and the region but also within the State for modeling programs that are effective in building benchmarks. Allen County is lucky to have the organization that we have in DAC. This recent round of granting has proven that we are really heading in the right direction and looking at all of the treatment organizations in this area and how they interact. It looks at the gaps in treatment and how those gaps can be filled. Move for approval of item 9 in the amount of \$241,721 in Court Assessed Fees.

Cal Miller: 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.

Therese Brown: Good morning, I am Therese Brown, Clerk of the Allen County Circuit and Superior Courts.

Andera Griffin: I am Andera Griffin, Supervisor of the Small Claims Division.

Therese Brown: Before you, I have a request for a transfer of funds in my 400 series into 100 series to cover the request of an additional staff member. This person would be equal to the same classification as all mid-level classified employees of that division. I also have a salary ordinance for \$25,807. All of you should have received and hopefully by now had a chance to read the information that I disseminated three weeks ago. I did have a conversation with Darren Vogt regarding this request. We have a significant shift which has occurred within the Small Claims Division. It is one of those situations of living by the successes that you have and having a little pain with those successes. Signature mail is a process that we endeavored on in 2006. The process is a new way of performing certified mail process within the County and for the Court. It allowed us to save significant dollars in our postage expense but because of a fee increase, the Sheriff was allowed to collect a thirteen dollar fee for service when an individual chose to do so. To make sure you understand, an individual may come in to any office of the Court and they have a right to choose what service they want performed. Based on that, some individuals chose that they did not want to pay the additional fee so the amount that an individual pays for filing of a case includes the expenses for handling the case. That shifted the responsibility from the Sheriff's Department to the Clerk's Office. What savings we were going to be experiencing and had been building our 2007 budget on, we have now had a tripling of our processing. I did not take this request lightly and so we did a trending over the last nine to ten months. We thought maybe this would level itself out but we look at this point as being triple of what we were prior to the thirteen dollar increase. Problems arise in maintaining the level of work and output that this division is responsible for. This division has been self-sustaining since I came into office and we created a lot of opportunity in purging the files which allows rewrapping of file folders and not increasing budget and staying within the allocation that has been asked of us. Unfortunately, if we are unable to purge, meaning that the person has the right to keep a judgment alive, we need to have individuals who are capable of making the right decisions for those files. We have not been able to stay on top of that. Coupled with the flooding issues that we have had four times in the last four years, we have lost 375 linear feet. Andera and I chatted this morning that based on where they are currently at we are going to be pushing an additional 5,000 filings for cases above 2006. We will be out of space for the current year well before the end of the year without purging. It is kind of a round-robin. I understand the comments that Mr. Vogt raised when he and I chatted before this meeting. I believe that in the information that I have passed out to you, I have expressed that we have a dire need to make this happen. The short-term solution of hiring a part time person would not

be acceptable for a long-term problem. It is also coupled with the fact that I will need additional money for postage.

Paul Moss: We did discuss this, at length, at the Personnel Committee and my preference would be to not go back into the issue that Councilman Vogt brought up. Are there any other specific questions regarding this request?

Darren Vogt: I will make a comment about the amount of documentation is much appreciated because it makes it much easier to move. Given my comments earlier, I will still support this. I will make a motion to approve the transfer of item 10 in the amount of \$15,038 to items 11 to 13.

Cal Miller: Second.

Paul Moss: We have a motion and a second. I will say that you are as good as they get with providing information in a timely fashion. **All in favor signify by saying aye. All opposed same sign. The motion carries 7-0.**

Cal Miller: Move to approve the salary ordinance setting the pay for Records Deputy III, COMOT 3/2 with annual salary of \$25,807.

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.

Therese Brown: Thank you. I want to let you know that I will probably be back in August to ask for an appropriation for postage.

Paul Moss: Okay. Election Board requests have been withdrawn. We are to the salary ordinance for Eel River Township Trustee/Assessor.

Lisa Blosser: She has relinquished her duties to the County Assessor and so she is requesting that the salary be reduced to zero.

Paula Hughes: I will make that motion to reduce the Eel River Township Trustee/Assessor salary to zero retroactive January 1, 2007.

Cal Miller: Second.

Paul Moss: All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. Okay, we are going to move right along to the discussion portion here. There is a resolution to approve temporary transfer of cash from Major Bridge Fund to the Family and Children Fund.

Lisa Blosser: Due to the delay in the property tax collections, I am requesting approval to temporarily transfer \$7 million from the Major Bridge Fund to the Family and Children Fund.

Paula Hughes: Move for approval.

Cal Miller: Second.

Paul Moss: All in favor signify by saying aye. All opposed same sign. The motion carries 7-0. Are you waiting on Mr. Young to do your presentation?

Paula Hughes: Mr. Young is not going to be here. We need Mr. Steenman with the laptop.

Paul Moss: If he is not here soon, I am going to move to the zoo.

Paula Hughes: Let's go ahead with the zoo because it is going to take a couple of minutes to set up the laptop. I suggest we move out into the audience and get one of the laptops set up.

Paul Moss: We have two presentations here. One is about the Shovel Ready Site Initiative and the other is going to be a brief presentation by Jim Anderson, the Zoo Director.

Paul Moss: I do want to mention before Jim gives his presentation that he is the Director of the Fort Wayne Children's Zoo. Just to give a brief history, I brought this issue up, about the African Journey project, at our previous budget discussions. My preference is that the County would support this project and so what I asked Mr. Anderson to do was come here and talk a little bit about the project but more importantly to talk about the economic development connected with the zoo.

Jim Anderson: If nothing else, I brought along some pictures of animals. I can't talk about the new things without talking about the old things. I am one of the old things and have been at the zoo for thirty-two years. There are people who have been there longer. Jim McGowan, on the left, has been there forty-seven years. Byron thirty-five years, our gardener has been there for thirty-seven years watering the daisies. Six of our supervisors have put in a total of eighty years. Not everyone who works at the zoo is employed. Bob is one of our many volunteers. Kathleen Anderson is the Board President and has a busy attorney practice. We asked some of these people why? The answers that we came back with were animals, kids and families. The zoo's mission is to connect kids and animals, to strengthen families and to inspire people to care. Much of what we do at the zoo is unseen by the visitors. You show up at 2:00 on a Sunday afternoon and you don't realize what it takes to bring that to market. We have about 55 full time employees with a couple hundred more during the summer, when we are up and running. Someone is there every hour of every day. If you drive by the zoo on Christmas Day, you will see twenty cars in the parking lot.

They are in there feeding and cleaning because there are a lot of mouths to feed. We have a full time veterinarian, vet tech, hospital keeper and records keeper. You will see our visitor services staff because we do serve a half million people a year. We serve a lot of food, we sell a lot of gifts and we have a quarterly magazine that we publish. We are webmasters with 11 million annual hits with 650,000 annual visitors to our website. For twenty-six weeks, we have a half-hour television show on every Saturday morning. We are not just zookeepers, we are gardeners. We don't charge everyone to get in. There are about 30,000 people a year that can't pay. I already introduced you to Bob Shaw but there are about 999 people like Bob who volunteer about 26,000 hours of time. It is not fluff but essential services. Somebody has to cut a lot of carrots for the monkeys! We visit every third grades in a seven-county area. We have visited all of the third grades in Allen County for 42 years. All of the volunteers and foundation money helps us to reach out to the other six counties around Fort Wayne. That is just part of the total program. We have over 900 programs a year for an audience of about 40,000 people. And that is on top of the half million annual zoo visitors. If we can't get to them in person, we send them stuff which is about 100,000 copies last year. A lot of output, a lot of monkeys and a lot of employees, the question is who pays for that? There are 220 accredited zoos in the United States. Of the 220, there are 10 that are self-supporting. We are one of the ten. The average government subsidy of a zoo among the 220 is 38% of budget. We basically get zero. Our friends at Fort Wayne Parks and Recreation help out with horticulture and some skilled labor services but otherwise, we just have to earn it all. That comes from things like admissions and memberships, carousel rides and boat rides. We have 200 business sponsors. I hope you heard that Scott's Zoo Day was yesterday and they will donate 2% of their proceeds. They have been doing that for fifteen years. We accept donations and we have an endowment. Ten years ago, Harriet Neder Leiber, an inner-city school teacher, passed away. She had said that when she brought her kids to the zoo, was the only time she saw some of them smile. When she died, she left the zoo one million dollars. We used that to establish an endowment and some other things.

Our budget this year is \$5.2 million and all of it has to be generated from operations. People in town are familiar with the zoo. To compare our zoo with those around the country, we look at per capita comparisons. In per capita attendance, we are sixth in the United States. We have about 12,000 families and homes that hold a membership to the zoo. That puts us at tenth per capita in the United States. If you divide operating cost by the number of visitors, we are sixth. Any top ten list is a good list to be on. There is no official, formal top ten list of zoos in the United States. There is only authors who write about zoos and when they say something good about us, we do repeat it. One of the nation's best zoos for kids. One of the country's best zoos for families. The best attribute of Fort Wayne. I would just say that this is not about me or the board. The zoo is a product of the community. For 42 years, everything you see out there was built with donated money. All of our operations occur with visitor-surrendered money. So, we simply serve the community at the level that the community is willing to support.

Every spring, when we get ready to open, the question is “What’s next?” We have created a paradigm where we always create something new which is a little difficult but we try to pull it off most of the time. We have been doing this since the original zoo in 1965 was constructed entirely with donations. Ten years later, we added Africa with thirty acres and \$750,000. Ten years later, Australia cost about \$3 million. Ten years later, the Rainforest cost \$5 million. That brought the total zoo experience to about thirty-eight acres. At that point, we said “What do we do next?” We evaluated what we have. We like the zoo the way it is and even though it is thirty-eight acres, it still seems small and personal. It is intimate and interactive. What we decided was that instead of pushing the fence out another foot, we would reinvest in the existing ten acres. For the past ten years, we have been in renovation mode and if you remember the old contact area, it was a very expensive crushed limestone area. We made the sea lion exhibit about seven times bigger. We ran a capital campaign called the Heart of the Zoo and took care of some of the things in the central zoo with \$3.5 million dollars. We moved back to Australia and raised about \$1.5 million. We enlarged the aquarium and added sharks, jelly fish and did some things back there. Last year, we spent \$275,000 on restroom renovations. You want to talk about difficult money to raise!

What’s next is Africa. I hope you have heard about this. Africa, the place, is absolutely the world’s most exciting wildlife destination. The African Veldt is thirty years old. It has evolved into our weakest presentation. So what we decided was to get over there and turn the African Veldt into the African Journey. Phase one is a \$10.5 million improvement plan. You have to have big animals. The biggest African animal is the lion. One issue of the current African Veldt is that you can’t get close enough to the animals. You will get close to the lions. This is a zoo in Wichita, Kansas. (Showed a picture of a glass wall between a child and a lion.) Our mission is to connect kids and animals. Lions and other African animals live in these rock outcroppings. These rock formations are fairly easy for construction people to replicate in zoos. We will add these to the exhibit. We will have new animals that have never been in the Fort Wayne Zoo before. When people think of Africa, they think of the African plains but there are also marshes in Africa. We will run people right down across the middle of a lake and through a marsh where they will see various plants and animals. We will also talk about the African forest environment. We will take people closer to the point where if a visitor wants to feed a giraffe, we will stage public giraffe feedings. Once again, though is the mission of connecting kids and animals. When you think of the Australian area and the Indonesian area, we have done a much better job on the cultural and architectural immersion. When you visit African Journey, you will see African faces and hear African music. We will have African maps to show where the place is and it will be an educational experience. The other piece of our zoo that really distinguishes us is that people don’t want to just see things, they want to do things. This is not the kind of thing you can put on a billboard for African Journey. This whole layer of experiences that will tuck in between the lions etc. is what makes the zoo visit. If you visit when we’re done, the visitor take-aways is more critters, more experiences and more educational impact. We hope people will leave with a greater appreciation of Africa. If you never

visit, these are some of the economic impacts. We measure visitors' lengths of stay. The longer that people stay at our institution, the better job we can do on the mission and the more money they will leave behind. That translates not just inside the zoo but out into the community as well. The longer you can stay at an attraction, the farther you are willing to drive to that attraction. That translates into tourism which is a business line in Fort Wayne. Our business today is 40% Allen County and 60% outside of the County. That is a radius of up to fifty miles. The annual economic impact of the zoo on Allen County is around \$22 million a year. If we are talking about attracting business or retaining business, we always talk about quality of life. We are a traffic generator and a part of quality of life in the community.

So when we are out there yakking about this, we say that if we want to do with the lions that we did with the goats forty years ago, we need to keep the generous community support flowing. We have done most of the design but we are still doing fund raising. It is under construction right now. We open the sky ride in about two weeks. For the first time ever, we hired an outside counselor who thought that Fort Wayne should be good for \$5 to \$7 million dollars. They heard nothing but positives about the zoo and the African project when he was out working in the community. We set the initial goal at \$7 million and pushed through that goal and raised the goal to \$10.5 million. Today, we are at \$8.4 million. We wouldn't build Africa if the community didn't support this campaign. The community excitement has been there. The campaign goes public at the end of this month or the beginning of next month and will provide opportunity for the average citizen to get involved. We have received the Kresge challenge grant which is big news. Fort Wayne and Allen County have been generous in helping us build the zoo. The public has liked the zoo and visitors have left their money at the zoo. That has allowed us to continue to do what we do.

Kids, families and animals. Community and education. We touch a million people a year at the zoo and away from the zoo. We generate all of the economic impact. We connect kids with animals and bring families closer together. My guess is that everyone in this room has been a part of the zoo over the last forty-two years.

Paul Moss: Thank you for the presentation. I want to say that I am very biased. I am on the zoo board and I have been in Fort Wayne for my entire forty-three years. I have been there as a kid and I take my kids there. I do believe that I can look at this project and correct you that the original goal was \$12 million and it was scaled back. I have tried to be objective about this and there are some key components that you need to look at. Forty percent of the business is the people in Allen County and 60% is coming from other counties. That is a huge thing to keep in mind. The other component of that is your comparison to other zoos of the government support. What I have asked is for essentially a one-time infusion of funds to the African Journey of CEDIT dollars to support that. There is no intent, on my part, and no intent on the zoo's part, to go forward with ongoing support operationally. You have already gone through the costs of the expansion. The zoo board has done that and is confident that there is not going to be an issue there. I think it makes perfect sense if

you look at some of the previous expenditures that CEDIT dollars have been used for and in my mind, this is a no-brainer. If you look at Harrison Square and the debate over that, there were some legitimate questions that came out as a part of that discussion. I would challenge anyone in this room to think of something in Fort Wayne that has been more universally accepted than the zoo. I am hoping that the Council and Commissioners will support this campaign. Does Council have any questions? Councilman Miller?

Cal Miller: Keeping with questions I know you asked, I would like to know more about the \$22 million impact and how that is going to increase for the African Journey. I would like to know how we, on Council, would measure the return on investment of the proposed CEDIT dollars?

Paul Moss: I will defer to Jim here, momentarily, but I think that of the \$10.5 million dollars, I have suggested \$500,000 from the County. I have suggested that the City come up with \$500,000 but that is their decision. Our amount is a pretty small portion of the total amount. I think you could do the math fairly simply by taking the \$22 million and dividing it by the annual number of visitors and then extrapolating that out to the anticipated number of visitors as a result of this expansion.

Cal Miller: What is the projected increase volume of visitors, based on the opening of the African Journey?

Jim Anderson: There is no hard number. We look at destination of our visitors through license plate counts. We keep meticulous records on attendance and utilization. What you see is a significant variation on that. You see a huge spike the first year and then a fall off the second year. There is an additional fall off the third year and back to a new higher baseline. It is unrealistic to expect to keep it up there. There are additional opportunities that we are faced with. We don't market out there at all. We don't have an advertising manager, PR manager or sales manager. We are trying to generate more traffic in that area. What happens when you mix up some of those variables, sometimes it is difficult to measure exactly what is doing what. This year is our best start in five years and most of our Africa area is closed. The first four weekends have been nice weather. We are 50,000 people ahead of where we were last year. We can measure length of stay but that is a subjective inquiry that our visitor feeds back to us. What we go back to mostly is the previous historical experience at our institution and the experience appears as they add content.

Paul Moss: This is your largest expansion.

Jim Anderson: Largest renovation, for sure. Geographically, it is the largest area in the zoo. As we add experiences, we are looking at increasing the amount of time that people spend at the zoo.

Cal Miller: In your research, what other communities are contributing public dollars to assist...

Jim Anderson: Capital campaigns or operating? On the operating side, 210 communities are of the 220 accredited zoos. Most capital campaigns have a large public performance. Toledo did a \$52 million campaign eight years ago. Half was public money and half was private money. Every financial arrangement you see in every community has floating bonds or taking taxes or having a cultural tax or any public method you can think of has been applied to zoos.

Cal Miller: That hasn't happened at the Fort Wayne Zoo?

Paul Moss: I can't over-emphasize enough that the Fort Wayne Zoo has never operated on any tax support. Of the other 220 cities, 38% does have tax support.

Maye Johnson: What has been the response of the City on the donation?

Paul Moss: I would really rather not go into that too deeply because there have been varied responses. It was prior to the primary but it has been a nutty season. It started out enthusiastically but then fizzled out a bit. We changed the strategy a bit and I think they will be supportive.

Maye Johnson: Do you have any figures from Cincinnati as far as public support?

Jim Anderson: No I don't.

Darren Vogt: As a Council, we tend to put money into things that use a marketing initiative and we put money into a lot of things that we don't directly see how it impacts our community. This is one thing that we can see the impact on. If we can create an experience that is even greater and draws those folks from the outside, we really need to consider how we can fund this thing.

Cal Miller: Let me play devil's advocate here for a minute. What I would like to know, with respect to other communities that are using public funds, do they use this money because they have to or is it because the community isn't supporting private funding? What is going on in our zoo looks like it is going to happen because of the private funding so why are we looking at the public sector to infuse money?

Paul Moss: You are right. The zoo is going to happen, one way or the other. The public has been very supportive. Tax dollars are precious. As far as other communities are concerned, I don't know why they have had to use more of the public funds.

Jim Anderson: All I can say is that of the 220 communities, it is 220 different situations. I don't know the numbers in St. Louis but if we all drove over there this afternoon, you would get into the zoo free. It doesn't mean the zoo is free. I think their budget is in the neighborhood of \$64 million. The government just says here it is, go do it. On the capital side, in some communities it has always been the responsibility of government to make the necessary improvements. Some of it has

changed over time as conditions were better or worse. We improve things as we are able to raise funds. I talked about the restrooms. We were using 41 year old restrooms. We would have liked to have improved those quicker but we didn't have the funds. Is that the job of private donors? I don't know. The tradition in Fort Wayne is that we don't improve anything at the zoo until or unless we can get out there and hit the street and get that money.

Darren Vogt: So to Councilman Miller's point, the more money you get, the more attractions and things to do keep folks in the zoo for longer. Is that a fair statement? The original budget was \$12 million and was pared down to somewhere around \$10 million.

Paul Moss: More of a completion of the project earlier.

Jim Anderson: Speed of improvements and level of complexity.

Paul Moss: And really, it is kind of like a double-edged sword. In Fort Wayne, there is not a whole lot to do. The zoo has performed very well and is very popular. Other cities may have other things to do. Many people think the zoo is critical and are willing to support it. That could change with some of the things coming up such as Harrison Square and other things going on.

Jim Anderson: One other point, users of not-for-profit services really don't care how they are funded. If they want to ride the zoo train or feed the monkeys, they don't know any of this stuff that I showed. As we were out there talking, many of the slides that I showed you were surprising to the people. They didn't realize that we are paying our own way.

Roy Buskirk: The zoos that have the public support, St. Louis doesn't charge?

Jim Anderson: There are a number of zoos that do not charge.

Roy Buskirk: That could be the reason for their public support.

Jim Anderson: If we had a wealthy benefactor who gave us \$5.2 million a year, we would be free too.

Paul Moss: I would not sit here proposing on-going operating support just so it could be free. I do want to say that the zoo board wrestled with the decision of whether to change the funding sources. I think it is a very important investment for the community. The intent today is not to ask you for anything. It is to remind you that I am going to bring this up at budget time and then ask for a commitment from Council and the Commissioners to support this project.

Bill Brown: I think the zoo is awesome. I was in Indianapolis a couple of weeks ago and I think we have a better zoo than they do. Did you say that the zoo has not been supported by tax dollars?

Jim Anderson: Correct.

Bill Brown: I guess that the question that I have is that you have created the perfect system and have not used tax dollars to date. So this is a major shift by plugging tax dollars into a perfect system.

Darren Vogt: This is using specific tax dollars for economic development. I think that is a fundamental difference than operating costs.

Bill Brown: I am not saying that I am against it. From a public funding standpoint, we have a situation here that is perfected. You are a leader in the nation and you have never had to have tax dollars. So this is a dramatic shift.

Paul Moss: And as I said, the board wrestled with that. Basically, the way I reconciled that is that this project is important enough so that we can have the economic impact and it is a one-shot deal. It is not to support operations. It is a gift. You can equate this to the way that the City doles out CEDIT dollars and the way the County has historically doled out CEDIT dollars. That is an issue for the zoo to deal with. We need to make our own decision.

Bill Brown: I think it is a great project and I support it 100%. The zoo has done a fabulous job.

Cal Miller: I had the same thought that Commissioner Brown is sharing. Do you think that this contribution is going to have a chilling effect on private donations?

Jim Anderson: That is an issue that has been part of the discussion by the board and the staff. There may be certain individuals that would find that to be the case. Other individuals may have their eyes opened. Whether Council goes up or down on this, I think it is a nice stroke to simply recognize that the zoo is an economic development generator. Once again, I don't think people think about us in that way. Two other thoughts, the public support seems to be a result of tradition or crisis. We don't have the tradition in Fort Wayne of public money flowing into the zoo. We work extremely hard to avoid that crisis piece.

Bill Brown: Did somebody talk about liking the zoo to be free?

Paul Moss: No.

Bill Brown: But some of the other zoos around the country are free.

Jim Anderson: Correct.

Bill Brown: I know that was an issue with the prior parks director. Also about going more fee-based for the parks and trying to get the parks more self-sustaining.

Paul Moss: I have never heard anyone complain about the cost of a zoo membership.

Bill Brown: Oh no, I think the way it is now is perfect.

Paul Moss: Thank you very much. We need to stay where we are seated.

Paula Hughes: On a different economic development note, Mark, could you join me up here? There have been conversations amongst City and County government about the food and beverage tax and how it is used. Currently, the food and beverage tax is generated by restaurants throughout Allen County. That fund is restricted for use on the Coliseum. That will dry up if County Council and State Legislature doesn't take some action. As a community, we should consider whether that type of funding source is appropriate for those types of economic development projects. Projects that affect the community and beyond and draw people in from outside the community. I am very supportive of tourism as an economic development project. I think that this Council, as we go into the future, how we are going to handle changes in the food and beverage tax and to think about projects like this. I am also going to address something that Councilman Vogt said about the Regional Marketing Partnership. The Regional Marketing Partnership has partnered with us in this project and we will talk about how that works.

To give a little bit of background, we formed a local version of the Shovel Ready Site project in Allen County last fall. The State formed a Shovel Ready Site project last year and Fort Wayne/Allen County was fortunate to have one of the first six sites selected from around the State. Shovel Ready means that a site is ready to have the dirt turned over. There are a lot of things that go into a site or building appropriate for an economic development project. What the State's Shovel Ready Site project was about was getting sites in Indiana to the point that they are ready for when the economic development prospects come to us or we seek them out. Before, it was a very reactive project. You woo a company and then start looking at sites and given what the local zoning and other state ordinances may take to get a site ready, it could be a six to twelve month process. This project means that the site can be ready next month or next week. If the money changes hands and the project is a go, it happens a lot faster. We have gone beyond just getting sites ready to figuring out what sites should be ready. We are cataloging our inventory in a way that has not been done to date. We are using this process to make us more proactive.

The local committee is composed of members of the Alliance, City Council, the Mayor's office, County Council, the Commissioners Office, County Redevelopment and City Redevelopment, City Utilities and the Regional Marketing Partnership. We have made presentations to the local board of commercial realtors and talked to some of the local utility companies.

I am sorry. I didn't introduce us. I am Paula Hughes from County Council and this is Mark Royse from the County Economic Development Department.

There are ten minimum requirements: Community support, site ownership and control, maps, environmental assessment of the property, water and waste water, transportation infrastructure, natural gas and high-speed communication infrastructure. If you can't check yes on all of those, the State will not consider the project any further. In the second round of applications, we submitted a site at the airport that was denied because we couldn't check off all of these. These are things that companies need to consider as they are looking at a property. We are trying to have these things in line, proactively, so that it is ready to go when a company is looking at it. When we did our first application for the site at Silverado Park, the County spent, in application expenses, about \$8,400. That was in doing soil borings, title work, phase one of the environmental assessment, fish and wildlife assessments and wetlands delineation. These are comparatively minimal expenses but they are expenses that need to be borne. Other communities that submitted these applications didn't have the stellar economic development staff that we have. They have paid \$20,000 to \$30,000 to outside consultants to put together this application. We are very fortunate to have the expertise on staff to put these applications together. My proposal is that we put together the funding stream to enable them to take it to the next level.

The goals of the local Shovel Ready Site are to build the local databases sites with shovel ready site readiness. The way it was done before was like reinventing the wheel. We want to launch a web-based search engine to promote the site. This is where the Regional Marketing Partnership is participating. They said this makes sense to put it on our website. Currently, there is no web-based search engine available. That means that Allen County, Fort Wayne and northeast Indiana are behind the power of economic development. Other communities across the country are so much more advanced in the way they promote their properties and the way they actively promote specific industries. Mark, could you tell your story about Alabama and what they have done recently?

Mark Royse: Alabama has taken a specific target approach. That means that they want specifically semiconductor business. They hired a consulting firm and went statewide and found five sites that met all of the requirements for a semiconductor manufacturing company. When they had those five sites and they were ready, they went out marketing to every semiconductor company in the world.

Paula Hughes: It is a very effective way to bring economic development projects to their state. We are not at that level but it is something to aspire to. What also happened with the Regional Marketing Partnership is that, even though Allen County is leading the way, through the coalition of economic development organizations that are involved with RMP, we are giving the template away to all of the other counties in our region. We are saying that we are going to give the template to you so that all you need to do is populate it with your sites. We think that was is

good for Allen County is good for the region. We are trying to get past the stereotypes of Allen County being the 800 pound gorilla that is five steps ahead. We want to bring everyone along with us.

Prioritize and prepare the properties for State application. Dedicating and planning for site readiness. We have pictures of the nine prime economic development sites. We didn't have a good inventory and we didn't know how to prioritize. We had never put them all together on a list before. With the advances that we have made with iMAP, a lot of technology has made for thorough evaluation.

First is the Air Trade Center. It is on the east side of Coverdale Road in the airport complex. (Details can be seen in the hand-out that is attached to the minutes.)

Bluffton Road east is 259 acres. This is north of Pleasant Center. (Details attached.)

I am concerned about county government investing funds in privately held property because we are increasing the value of that property and we are doing that in a haphazard way. For the Silverado Park project, we did \$1 million dollars in road infrastructure. We spent over \$8,400 in direct projects tied to that. We spent that to make it shovel ready. All of those things, in the property owner's mind, increased the value. When that goes up, the value as an economic development tool goes down because now it is more expensive to get your hands on that property. This county needs to start thinking about land banking and what we do to either acquire options or property.

Cal Miller: There are parcels out there right now that are rather attractive and owned by the public, right?

Paula Hughes: There are some.

Cal Miller: Can a privately held piece of property make their own investment and become part of the program?

Paula Hughes: Yes they can and we are going to get to that. We are developing an application process that will allow sites to be considered shovel ready at the County level. Our requirements are identical to the ones in the State program. The application will look something like the tax abatements application in that it will have the point structure and as we consider dedicating funds to improve sites' shovel readiness, we are going to ask for participation from the property owner or perhaps a loan that is paid back when the site sells. We may front the property owner the money to get some of the work done and then they are going to owe that when they sell the property. If they have already done some of these things, then they would get more points.

None of these have information on high-speed communication services. Councilman Moss is always talking about the struggles that we have had with Comcast but the

communication lines with Verizon are actually more appalling. It is a three to four week process to get verification of high-speed communication infrastructure. That is becoming just as critical as a gas line.

Bluffton Road east again, you can see where the flood area is touching on it but not causing much of a problem.

Jackson Industrial Park is a smaller property just under 23 acres. It is not in a flood plan and has good electrical and gas. (Details attached.) Owned by a private entity.

Lincoln Industrial Park is 55 acres. (Details attached.) It is owned totally by a private entity and is partially within the flood plan. This is a property that we have been actively marketing without knowing how much was in the floodplain.

Martin Industrial is 101 acres. (Details attached.) Owned by private property and the only reason that is a challenge is because we have no control over the pricing and there could be more of a delay in converting ownership. A little bit of a challenge with that property because of the floodplain. We had not compiled this list until last October.

Monroeville Industrial Park is 39 acres. (Details attached.) This is owned by the town of Monroeville and has had wetlands delineation completed. It is partially within the floodplain. Monroeville bought this property and actively promoted it for their industrial site apparently without doing the work they needed to do.

Pleasant Center is 112 acres. (Details attached.) This is not in the floodplain. This has rail service which is a plus.

Wayne Haven Industrial Park has 236 acres. (Details attached.) A lot in the floodplain so that takes it a lot out of being able to be used.

Woodburn is 108 acres. (Details attached.) Owned by the City of Woodburn.

It is just thinking proactively and using the tools that we have at hand to make sure that we have good economic development sites for prospects that come to us or we solicit.

Roy Buskirk: There is some activity that you can have in a floodplain such as parking.

Paula Hughes: Right, you can build a parking lot. But even at that, you have to do remediation in terms...

Roy Buskirk: Right but it is not just totally you can't touch this. But it is a detriment.

Darren Vogt: Are we looking into alleviation of the flood problem?

Paula Hughes: In these areas, no. There is no alleviation of the flood problems in these areas.

Darren Vogt: As I understand development, as long as you increase the floodplain somewhere else, you can eliminate it from that property.

Mark Royse: The cost would not make it and basically what you would be doing is going through many delays.

Paula Hughes: That is it for the formal presentation. The Commissioners have approved a \$50,000 line item for Shovel Ready Site projects. We need to talk about land banking going into the future. We truly want to compete with the rest of the country and the world. Any questions about Shovel Ready Sites?

Darren Vogt: Has Alabama been successful?

Mark Royse: No but on the flip side of it, the Tennessee Valley Authority hired a consulting firm and their specific was automotive. These communities were assembling 1,500 acre sites. They put millions of dollars into these properties. A Japanese facility has landed on one of those sites.

Paul Moss: We have a couple of other agenda items to discuss. Agenda item one that we tabled for Cedar Creek Township Assessor. Councilman Buskirk has a couple of comments on that.

Roy Buskirk: The material is pretty self-explanatory and I asked the County Assessor about it and if a delay would create a hardship. She felt that it would. I talked to the township assessor Tuesday and she expressed a need for this. I would appreciate if the Council would see fit to go ahead and act on this.

Maye Johnson: I make a motion that we act on item one today, in the amount of \$1,800.

Roy Buskirk: I second it.

Paul Moss: **We have a motion and a second. Is there any further discussion?**

Paula Hughes: I have a question. This is an increase of necessity and is falling into your earlier discussion about taking actions that automatically increases the budget for next year.

Darren Vogt: I have some more questions too. There is a balance in there of only \$78. What was their phone bill prior to that? Do they have a dollar amount?

Tera Klutz: They said that they had already purchased the modems and have the internet connectivity up and running. That could be why the balance is so low.

Darren Vogt: So they did the work before coming to us.

Tera Klutz: Right.

Roy Buskirk: They were trying to get it funded with their current budget. With the additional items that they had to purchase, they ran out of money. Basically, it is the increased cost of hooking up to the DSL.

Darren Vogt: But then there is the on-going expense of telephone lines.

Roy Buskirk: Correct.

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

Cal Miller: I'll abstain.

Paul Moss: **Motion carries 6-1.** We are going to move forward with Auditor Blosser's budget presentation.

Lisa Blosser: I have prepared for you an executive summary of the 2008 revenue projections. Please turn to page one. The total General Fund projected revenue for 2008 is \$82,063,328. The property tax levy will be at \$46,289,828. That represents a 3.7% increase of \$1.6 million. This number is based on six year average growth in the personal non-farm income. Miscellaneous income will be at \$35.7 million. The miscellaneous revenue projection increased \$1.1 million. This is mainly due to an increase in interest income. The projected increase in revenue for the 2008 General Fund budget is \$4,014,863.

On page 2, we have over forty major revenue sources for the General Fund. For your information, I have included a brief explanation of how that income is generated.

Paul Moss: Do you have the numbers attached to those?

Lisa Blosser: Absolutely. Page 4 is the 2008 allocation considerations. As we all know, the last couple of years, we have been working on the job evaluations project and the HR Department has come up with some recommendations and I have included those. It is the internal equity part of the project. That is at \$1.3 million.

Paul Moss: So these are the new numbers that we discussed at the Personnel Committee.

Lisa Blosser: Yes.

Paul Moss: It is important to keep in mind that these numbers could change a little bit based on the appeals process.

Lisa Blosser: Right. Step increases, under the current system, would be an additional \$260,430. If you were looking at a 3% cost of living increase, that would be \$1.4 million. Set aside allocation increases for increased expenses, technology, any new statutory requirements, gas and utilities is at \$1 million. We also left the \$1 million that you have included the last two years, within your budget allocation. That would be for any capital expense items.

Paul Moss: The miscellaneous \$1 million at the bottom, do you just average that out from prior years?

Lisa Blosser: We worked backwards from the \$4 million. That is how much you would have left as the departments came in. Those can be adjusted during the pre-allocation meetings.

Darren Vogt: And that includes putting \$1 million into our capital improvements line.

Lisa Blosser: Page five is this year's budget allocation for every department. It shows their budgeted amount and their percentage of the total. Page six is the Highway tax revenue analysis. The last few years, we have been warning about the revenue reduction caused by the Aboite annexation. CEDIT revenue is anticipated to decrease by over \$2 million in 2008. Projected 2008 revenue includes the 6% decrease in the Motor Vehicle Highway revenue. There is a 7% decrease in the Local Road and Street revenue and a 21% decrease in the Wheel Tax Surtax revenue. Total revenue decrease is almost \$3 million. If you look at the Major Moves revenues, we have only received that funding for the last two years. If that was included, there would be over a \$4 million decrease in highway revenue.

Darren Vogt: How long is the Major Moves money?

Lisa Blosser: It ends this year. So, the Highway Department must make significant cuts to their budget in order to operate within their budget revenue.

Roy Buskirk: In comparing it to last year, right?

Lisa Blosser: Yes. We also wanted to take this time to go through some of the new legislation that was passed and will affect some of the property tax revenues. We were all concerned to see what would happen with the Circuit Breaker legislation and House Bill 1478 did address that. The Circuit Breaker became law in 2006. The intent of that law was to insure taxpayers don't pay more than 2% of their property value in taxes. The homestead properties have remained capped at the 2% of the gross AV indefinitely beginning 2008. The biggest change in the legislation was in putting up a higher cap on businesses. All properties except homesteads will be capped at 3% in 2010. As a result of these modifications, Circuit Breaker will have little effect on Allen County tax units in 2010.

House Bill 1001, the legislature passed some property tax relief in the form of a tax refund. The DLGF will certify an additional homestead credit percentage that shall be paid as a refund.

Paul Moss: Who will distribute those refunds?

Lisa Blosser: The Auditor will.

Roy Buskirk: How much postage is that going to run?

Lisa Blosser: It will be quite expensive. I will be coming back next month for an additional appropriation but the postage will be about \$40,000. That does not include the checks and envelopes.

Roy Buskirk: They will not be able to use it as a credit on the current tax bills. The additional costs could be tremendous.

Lisa Blosser: This additional homestead credit will be funded through the additional license fee for horse tracks wanting to put slot machines in their facilities. No later than December 20th, I shall have to certify the calculated refund to the County Treasurer. The checks will be going out about Christmastime.

Cal Miller: How is it calculated?

Lisa Blosser: We don't have the actual percentage yet because it hasn't been certified.

Cal Miller: Do you have an understanding of what it might be?

Roy Buskirk: Part of it depends on selling the slot machines.

Lisa Blosser: The licensing fees.

Roy Buskirk: Right, the licensing fees. If the licensing fees don't come through, there won't be a refund.

Lisa Blosser: Along with this refund, the legislature wanted a notice to be sent in 12-point type that states "A portion of your local property taxes due in 2007 is being refunded due to tax relief provided by the Indiana General Assembly."

Paul Moss: In the law, they actually identified the font size?

Lisa Blosser: Yes, they did. Another part of House Bill 1478 is that the Allen County Innkeepers tax increased to 7%. Tera is going to take over from this point. She has been analyzing all of these new funding alternatives that were also part of 1478.

Tera Klutz: Feel free to ask any questions during the presentation. We have the opportunity to be a little creative for 2008. Tax units can now choose to fund a portion of their increase in operating levies through income tax. It would be a direct shift from property to income. City Council makes that decision for Allen County as the majority population of the Allen County Income Tax Council. The necessary COIT rate, if the City would decide to choose this, would be double the first year and that amount would be put into a stabilization fund. Because income tax is not stable, like property tax, they want to set up a stabilization fund so that if the economy turns down, there is a fund to still get the operating money we need. When the rate is first imposed through this incremental COIT, it can only increase by .1%. Right now, we are at .6%. We have CEDIT rate at .4% and a COIT rate at .6% which combines to do our 1%. This incremental COIT can go up .1% per year up to 1%. If City Council would move on this for 2008, our tax would go up to .7% then .8% and then .9%. Then in 2011, we would be capped at 1% under this particular piece of legislation. Just to give you an example of .1%, that raised \$70 million.

Darren Vogt: What is their timeframe of acting on this?

Tera Klutz: They have until August 1st. That is a new change. It used to be April 1st with effective for July and now it is August 1st and everything becomes effective in October. There are a lot of pieces, like the next few pieces, that are tied to the incremental LOIT. With the Circuit Breaker, the fact that it still exists is telling us that we should probably begin to shift a little. Property taxes are going to be capped at a certain amount and now we are able to capture some of the growth. I have laid out all of the bullet points that you have and I would like to point out that the State is estimating the 2008 growth will be about an additional 1.25% of what it would take for income tax. We can only raise .1%. That tells me that we are not going to be able to push all of our growth onto income this year. That is why they call it incremental. We would be starting the shift to adjust the growth portion to the income tax.

Darren Vogt: One of the things that we need to decide is that if we do endorse this method, we need to send that message to City Council as the ones making that decision.

Cal Miller: City Council as the majority of the board, the County Council is on that as well.

Tera Klutz: No, the income tax council doesn't meet.

Cal Miller: I understand the majority vote so whoever else is a part of that, their vote doesn't matter unless they are lobbying. So who makes that...

Tera Klutz: In the past, the Allen County Income Tax Council has just operated as the Fort Wayne City Council meets. If they need to do any business, they do it on

Tuesday night and then they send us the resolution as the Auditor as the Clerk of that. We could try to get something.

Cal Miller: But statutorily, who sits on the body?

Tera Klutz: Sorry, I didn't know what you were asking. The members of the Allen County Tax Council are the members of cities and towns board members, like the Hometown Council. Their one vote or votes are the proportion of the population.

Cal Miller: Thanks.

Tera Klutz: If you flip to page nine, starting with optional COIT dollar-for-dollar property tax relief, 1478 allows Fort Wayne City to shift a big portion of property taxes to income tax. They also have the opportunity to target who gets that relief. They can target homeowners, qualified residential property which includes property use for peoples' residents or they could target across the board tax relief. They have the option of doing this in increments of .05%. If nobody has any questions, I am going to move into C. If they option A and B, they have the options of getting new tax money. This new tax money is for public safety and the City Council can only adopt a rate, to get new public safety money, if they have already adopted portions A and B. The money can be used, the definition is very broad, but it can be used for anything related to public safety.

Roy Buskirk: The Sheriff's Department.

Tera Klutz: Yes, the Sheriff's Department. It is allocated to the cities and the County.

Cal Miller: All of these are decisions that need to be made in August 2007.

Tera Klutz: By August, preferably before.

Cal Miller: Will these decisions, that have an impact on the available funds for County government in 2008?

Tera Klutz: Yes, if the City Council so chooses to adopt A and B, there would be new public money available in 2008 to the tune of \$17 million to be split with cities and towns. I have calculated our portion to be about \$7 million.

Cal Miller: Is there a corresponding decrease?

Tera Klutz: No, this is new money. Option A, for incremental, is a straight shift from property to income. Option B is a straight shift.

Cal Miller: Could you put together some scenarios depending on the decisions made by City Council and how that would impact the County fiscal scenario?

Paula Hughes: Option C is the only one that would impact us. Correct?

Tera Klutz: C is the new money that would impact us. Cal, what you are saying is that you would like to see that under option A, the County would be shifting in total about \$7 million away from property tax county-wide to income. Option B is dollar for dollar up to 1%. If the City Council starts giving direction on maybe going half of one percent and that would equal \$35 million.

Cal Miller: From my standpoint, it seems that you all have your minds wrapped around this. Would you mind having a spreadsheet that shows those scenarios?

Roy Buskirk: The one concern that I have is that through annexation, if this option A or B is put into affect, will the county lose revenue?

Tera Klutz: There are two issues. One, property tax, will we lose any due to annexation? No. Will we lose COIT dollars? Yes, but the legislation is written that the way that the dollars are doled out, we will be kept whole with the amount of maximum levy we can raise for property taxes. We get more property tax if they get more COIT for property tax relief.

Roy Buskirk: You are losing me. We are reducing property taxes and putting it onto COIT. Correct?

Tera Klutz: Yes.

Paula Hughes: And your issue is that property taxes are divided along property lines and we receive property taxes from the entire county. The income taxes are received based on population. You are concerned that if the shift is made, then you think the income tax would follow the annexation and we wouldn't receive it. What Tera has said is that it would not happen. Legislation is written in such a way that we would remain whole as if it were funded through property taxes.

Tera Klutz: Right.

Darren Vogt: So our property taxes would go up...

Tera Klutz: Under B and A, I should have answered no. We will not lose money to annexation for those COIT dollars. We will continue to lose the 06% that is on the taxpayers of Allen County. We would lose some of that to annexation though the law has changed and it is very difficult to annex now unless you are already hooked up to the city utilities.

Roy Buskirk: Correct and is occurring.

Tera Klutz: Yes. Did I answer your question better?

Roy Buskirk: No.

Tera Klutz: Under what I am talking about, on this A and B, we would not lose COIT dollars.

Roy Buskirk: But you are saying that the property tax levy can be increased.

Paula Hughes: No.

Cal Miller: How about this. Annexation will continue to happen and this is not going to make it better or worse in terms of the decreasing revenues to the County.

Tera Klutz: Sounds good.

Paula Hughes: These funds raised by this increase in the COIT will not be distributed based on population.

Tera Klutz: Page ten shows that we are the only county with a Tax Adjustment Board and will have it for two budget cycles. HB1478 abolished Tax Adjustment Boards as of December 31, 2008 and establishes a new County Board of Tax and Capital Project Review. This board can approve or reject projects and the projects that must come before it are the ones subject to petitions and remonstrance and are over \$7 million.

Darren Vogt: But what it doesn't do is get to the individual budgets. This is really a capital improvements type of situation only. I guess that from a legislation standpoint, this only goes so far.

Tera Klutz: Actually, I will disagree. Beginning in 2009, they do away with the State Board of Tax Commissioner Appeal Board. Our County Board becomes the Board to decide excess levy appeals for operating revenue. That is operating money. You will decide whether or not these units can, for annexation purposes, appeal for more operating levy.

Darren Vogt: I will agree with that but it doesn't get into the general operating. If they appeal for the excess...

Tera Klutz: Right. I believe there is no opportunity for you to ever get into that.

Darren Vogt: I would agree with that other than it doesn't give the public forum for it.

Tera Klutz: Each unit would have to submit a five year capital plan. That is a good thing because then we can have an idea of what is going on out there. The board is not required to approve infrastructure projects.

Paul Moss: It is interesting that two members of that board will be elected by voters.

Tera Klutz: They can not be an employee for the last year of a political subdivision and they have to be a resident for at least a year.

Paul Moss: So this is a preliminary executive summary for people to digest between now and June 4th.

Lisa Blosser: June 4, 5 and 6 for Budget Pre-Allocation meetings.

Paul Moss: The thing I do want to mention so that we can keep in on everyone's radar is the copier study that was done a few months ago. I think it is still being moved forward to a certain extent. I am going to keep that in mind as we look at the budgets. Another piece is on the vehicle policy. I am working on some suggestions as we go through the budget process. Does anyone else have anything they would like to offer?

Roy Buskirk: I have a question for the Auditor's Office. What you have listed here as revenue income sources, each month, when you give us our notebooks, you have a list of them and the percentage of what we collected. Also you have what we expect to generate for the year.

Lisa Blosser: All of those estimates are then approved by the DLGF.

Darren Vogt: One other thing that is loosely related to the budget is the East Allen Alliance and what they were doing. I had a conversation with Brian Yoh and a lot of this is elected officials and some of the group is not elected officials. Their decision on the resolution comes from elected officials. I am going to meet with Brian and have a in depth conversation with him and will bring it back to this Council. We can then set a meeting date and ask them to attend.

Paula Hughes: What is the purpose of that meeting?

Darren Vogt: To discuss what their plans are so that we can look at how it is going to impact our budget.

Paul Moss: We had also talked about having some legal review and then after the fact, the Commissioners decided to do the same thing. We certainly didn't want to duplicate services.

Darren Vogt: The Auditor's office is in the process of finalizing the numbers of the financial impact of the East Allen Alliance.

Paul Moss: That brings us down to recent and or upcoming meetings. I will start off with that we had a Personnel Committee meeting earlier. There will be some follow up and HR has some tasks to deal with. I will be talking with the Commissioners at

their staff meeting relative to what they want to do about the administrative support functions for their area. The only other thing is that there is an appeals meeting about the whole salary survey.

Paula Hughes: That meeting is to set the process for appeals. There is also a meeting, on the 25th about external equity issues.

Paul Moss: Hopefully we can incorporate those external equity issues into the budget process.

Paula Hughes: A couple of us met this morning with some of the departments to talk about a permit process. We discussed how to earmark the extra funds to be spent and at that time, Ed Steenman approached us about integrated permitting and enforcement. We directed him to meet with the City and how we could integrate with their permitting process. We hope to have another meeting within the next couple of weeks. This will be a joint meeting of Commissioners and Council and inviting City and County departments to talk about how integrating a permitting process could work. It is a good step forward in making things more efficient.

Cal Miller: I move to approve to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council meeting of May 17, 2007.

Darren Vogt: Second.

Lisa Blosser: Councilman Vogt scheduled a meeting of the Tax Adjustment Board for June 12th.

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.

Cal Miller: Motion to adjourn.

Paula Hughes: 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 meeting will be held on June 21, 2007 at 8:30 am.

There being no further business the meeting was adjourned at 11:45 am.