

**ALLEN COUNTY COUNCIL
MEETING MINUTES
AUGUST 16, 2007
8:30 AM**

The Allen County Council met on Thursday, August 16, 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; Maye L. Johnson, Darren E. Vogt, Paula S. Hughes, Cal S. Miller and Paulette Kite.

Also Attending: Lisa Blosser, Auditor; Tera Klutz, Chief Deputy; Jackie Scheuman, Finance Manager; Nelson Peters, Commissioner; Bill Brown, 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.

Paul Moss: We have a pretty heavy agenda today and so we are going to try to move this along as quickly as possible. If it is all right with you, can we hold off on the financial report and this agenda and go straight into the addendum? Not seeing the Deputy Mayor here but I am seeing that we have the Sheriff and several other individuals including our esteemed Senator Tom Wyss. I think what we would like to do is have Sheriff Fries and the folks that came with him talk a little bit about their project first and then we will get right into the discussion on the Grand Wayne project.

Kenny Fries: Good morning, Kenny Fries, Sheriff of Allen County. I am here to hopefully get approval from the Council to purchase approximately 200 acres at the corner of Adams Center and Paulding Roads. This is for the driving course, shooting range, canine training facility and outdoor training facility. This would be for all of the police agencies in the region and open to the public to use the driving course and shooting range. The purchase agreement with the County Commissioners was set to total no more than \$675,000. We are looking at between \$625,000 and \$650,000. The second part of my request today is that Council approve up to \$75,000 to finish off the purchase agreement. Right now we have \$575,000 set aside, \$200,000 is from Commissary and \$375,000 is from the Commissioners. We need another \$50,000 to \$75,000 to complete the deal.

Paul Moss: Do you know where the money is coming from that you are getting from the Commissioners?

Kenny Fries: No, I don't. If Commissioner Brown was here, he could explain that. Do you have any questions?

Paul Moss: Is everybody pretty familiar with the project?

Kenny Fries: This is a proposed picture. This is option C. We had RAQW out of Indianapolis do the drawing on this and it amazed me how the first drawing was pretty close to what I was looking for. This is still an option that is still going to be tweaked. Sports Car Club of America needed 2.1 miles for them to use if for their courses. This is designed at 2.1 miles. They put on regional meets and spend about \$4,000 a day to rent the course. This will generate revenue and not cost the taxpayers any money. The money we get from Council, the Commissioners and the commissary will all be paid back from private donations and federal grants.

Paul Moss: You believe, from an operating perspective, that it will essentially be self-sustaining?

Kenny Fries: Right, it should generate revenue.

Paul Moss: There will be net income?

Kenny Fries: Correct.

Paula Hughes: What if there is not? What is the fallback if there is not?

Kenny Fries: If there is not, we will scale back. If the money doesn't come in, we will scale back what we are going to do. We will build the project as it goes. We will probably start with the range because that will be the cheapest thing to do. As that continues to go and we get money in then we will continue building more.

Paula Hughes: And you will commit that at no time you will approach Council for operating funds?

Kenny Fries: Yes.

Paul Moss: Councilwoman Johnson?

Maye Johnson: Sheriff, could you refresh my memory? Who were you purchasing this land from?

Kenny Fries: Neumeister Properties.

Paul Moss: Councilman Miller?

Cal Miller: I am not at all familiar with this project other than what I have read in the paper. While we are at a meeting where other taxpayers could be watching, could you outline for us why this would be a good expenditure for the citizens of Allen County? What do you intend to do with it, how it is going to benefit us as citizens and you, as the Sheriff, with respect to training exercises and elaborate a little more

on the ability of the public and/or other policing agencies to utilize this proposed training facility.

Kenny Fries: Certainly. I have already sent a letter of intent to the City to Brent Johnson at the regional training facility at Southtown. The facility there is a great indoor training facility. This complements perfectly with what they are doing. They have no outdoor shooting range or driving course. They will use this course as well as us. My main drive for doing this is because as a third shift Sergeant, I made many, many death notifications on traffic accidents. I want to build this driving course, primarily, for teen drivers and elderly drivers. I have told people that when you go, in the middle of the night, and knock on somebody's door and let them know that somebody they expected to come home is never coming home again, it drives you and me to make sure that we do something so that we don't have teens dying on the roads anymore. I have seen way too many accidents where a teen driver has gone off the right side of the road, overcorrects and either have a head-on crash or hit a utility pole or a tree on the other side. If we could get them out on the course for an hour, it would help these kids learn how to get back on the roadway. They should learn on a closed course and shouldn't be learning on our streets.

Cal Miller: If that is the desired result or one of them anyway, to improve teenage driving, how is it that we are going to be able to attract enough folks to that course? That is a good concept in general but if you are not getting the majority or at least a fraction of those drivers through the course, then it has no impact on your desired outcome. What is the link between the requirement of those folks having to go through your course and the desired outcome that you have articulated?

Kenny Fries: Eventually, I would like to see the State mandate that if people want to have their probationary license reduced from ninety days to thirty days they have to go through a certified driving training course after they go through driver's training. My boys, when they went through driver's training, had six hours of drive time, which is not enough. Schools are going to sign up for it and Gordon Meyers is doing all of the paperwork for the numbers. Tracy Martin from Channel 15 and many different organizations want to come out and get the kids on the course. I have no doubt that we will be able to fill this course. It is split so that we can use two courses at one time or rent the whole course out to someone like the Sports Car Club.

Paul Moss: Anecdotally, I would tend to agree with that. Having a teen driver at this point, there does seem to be some programs out there but they are generally outsourced. There are people coming in as far away as Florida that provides some of these services.

Cal Miller: I have no doubt that the goal is a worthy goal. It seems to me that we are putting the cart before the horse if we haven't secured the obligation of teen drivers to go through the course. If we don't get that obligation to make this a part of the training, then we don't achieve your desired result. We will have spent that portion

of the money in vain. Are there other benefits that this entire project is going to provide for the citizens that justifies the cost?

Kenny Fries: The outdoor shooting range, currently there is no place for people to go to shoot. My goal is that when people of Allen County get a gun permit, they get a card from us saying that they can come to our range and we will show them how to safely store the weapon, handle it and shoot it. If they decide they want to continue to come out here, they can pay whatever cost to make sure the range operates at no cost to the taxpayers. We will have a rifle range of at least five hundred yards. There is not another one around here close.

Cal Miller: Will there be a requirement link to those that have gun permits to go through that training? Or is it just your hope that they will utilize it?

Kenny Fries: We will give them a card to come out and use it for free the first time. I am hoping that it will get them out there because many people buy guns and then have no place to shoot them.

Cal Miller: Other than the public, what is the benefit to the public by virtue of your utilization as a law enforcement agency?

Kenny Fries: Right now we have no outdoor shooting range. Last May, we spent over \$2,000 paying Auburn to use their range. We are going to use the Air Guard's short range in August. There is no place for the officers to shoot. The same is with the City. We have to travel to places to shoot. This will bring people in to Allen County from all over. We have a Hogan's Alley which is set up with buildings. The streets are set up to where you can have targets inside the buildings which makes it much more realistic. The driving course will actually end near the Hogan's Alley so that you will go through the emergency driving and then go into the Hogan's Alley to where you have to go into a shoot situation.

Cal Miller: I appreciate that explanation. I have a lot of respect for Kenny Neumeister who is a local businessman. I would like to hear about the negotiations and that you are comfortable that this is an arm-length transaction. How did you arrive at the price and why is that a fair price for this property?

Bill Brown: Bill Brown, Allen County Commissioner. I became aware of this project through Sheriff Fries and Mr. Neumeister and I think these are good questions to answer publicly. I think it illustrates the team process not only with government officials but also with interested parties that are interested in moving our county forward. Ken Neumeister was able to purchase this property through the affiliation with the work that he had done at the Adams Center Landfill through the Ministerial Alliance. I believe as a settlement to the Adams Center Landfill, they purchased the property, were able to get it rezoned and so the costs are going to be a cost-plus basis. It is all very open with nothing going on behind the scenes. It will be cost-plus based on the cost of rezoning it from R-1 to commercial. It was a benefit to the Ministerial

Alliance to turn it into cash to use on other projects. The price will be somewhere in the vicinity of \$625,000 and \$650,000. We currently have an agreement to purchase at \$675,000. We have had two appraisals done and they have been at \$840,000 and \$895,000 since it has been rezoned to commercial. We have done an environmental and the agency said that no need for Phase Two. Phase One is sufficient. We have checked the record with Adams Center about wells and ground water and at this time, the ground water is all clear. That piece gives us great comfort to purchase this property at a price that is under what the appraiser said is market value at this time.

Paula Hughes: If I could interject because I was involved a little earlier on this. My understanding is that the only reason that Neumeister Properties stepped into this was to facilitate a quicker transfer of the property. He was aware that the Ministerial Alliance was looking to sell this property. Sheriff Fries had asked him to keep his eyes open for a property that might be suitable for this purpose. The Ministerial Alliance had received this property as a gift and they had original intentions to develop this property themselves. I believe that due to a lack of capital and some other issues, they weren't able to move forward. They then wanted to be able to cash out on it and use those funds for other parts of their operation. My impression is that Neumeister Properties stepped in only as a short-term intermediary. We all know that we have lost properties that the County needed for projects because we couldn't move quickly enough. I am satisfied with the land value. You have two appraisals that come out in excess of what the purchase price is and while I think it is good to ask the questions, this is transparent and was all done with the greater good in mind.

Cal Miller: My questions are not meant to suggest that it isn't transparent. Let's just get the transparency out at this meeting so that we all feel comfortable that it is a good purchase price for the County based on the analysis and the appraisals.

Bill Brown: I would just like to add to that Neumeister Properties LLC is right out there in public view. I believe the Sheriff has a sound plan and a sound program. I am excited about the fact that the Allen County Sheriff's Department and the Fort Wayne Public Safety are working together on the complementary facilities. The whole idea of clustering the different things in our region to bring in new business and the economic opportunities, I think it is important to go in that direction. Even aside from that, the purchase price and the close proximity of the property, if you look at the interest in our desire to do the Adams Center bridge, it will open up the southeast quadrant of the county. I think it provides an opportunity for economic growth.

Paul Moss: Are you ready to yield the floor?

Cal Miller: One last question. Sheriff, why is this shooting range not an overlap or a duplicating of what the City has in their indoor range?

Kenny Fries: Bullets are affected differently by temperatures and wind. I was a sniper for the SWAT Team for many years. You cannot shoot a sniper rifle inside a

building. You have to be able to have somewhere outside to shoot distance. I am lucky, I can go outside at my house and shoot but most people don't. This gives you greater distance and greater ability to formulate different areas and scenarios of greater distances that you can't get inside. Most of the shooting instances that police have are outside. It is good to train in the snow and rain and with different distances.

Cal Miller: Thank you and now I yield the floor.

Paul Moss: Councilman Vogt?

Darren Vogt: One of the questions that hasn't been answered yet is about the \$375,000 coming from the Commissioners. Commissioner Brown, where is that money coming from and is it expense you will have out of the 2007 funds or 2008 funds?

Bill Brown: We have it budgeted in the 2007 Cum Cap.

Darren Vogt: Okay. And one anecdotal comment as someone who's profession deals with teen drivers, if we can get those programs up and running, it will be beneficial for the accident rates that occur in this county.

Patt Kite: Sheriff, you mentioned Tracy Martin. Are you working with her through the Drive Alive campaign?

Kenny Fries: Yes. September 16th, they have a program that they are going to do out at Verizon and hopefully, this will be the last year that they have to use someplace other than ours. They spend about \$50,000 a year to a Florida company to do this program.

Paula Hughes: One last point that came up in an earlier conversation. We did discuss whether it would be appropriate to build this facility on existing county land and in particular, the land that will become available on Carroll Road. Because of the neighborhood and residential development in that area, it is not advisable to do an outdoor shooting range. One of the benefits to this location is that the shooting range will back up to the landfill. There is really no danger of stray bullets damaging residential areas.

Kenny Fries: It made this piece of property ideal for our use. When I heard about it, it was like Oh My God, it was the right piece of property for what we need to use it for.

Paula Hughes: But probably not a great piece of property for a lot of other projects.

Patt Kite: Geographically, if you look at a map of the County, this is almost at the center. It should be accessible for everyone.

Kenny Fries: It will have good access from 469 and I am telling you that people will be coming from the tri-state area to use this facility. It will generate revenue for Allen County. This will be state of the art and will not be some place that has a two-by-four with plywood nailed to it saying that this is the Allen County driving course. When people come here, I want them to say "Oh My God." When they leave, I want them to go back to their community and tell them what they saw.

Paul Moss: I appreciate the overview. My personal opinion is that this is fairly visionary and I like that it is essentially complementary as opposed to being redundant to the academy out south. To take this full circle, what you are specifically looking for today is \$75,000...

Kenny Fries: Up to.

Paul Moss: Okay, up to \$75,000 from the General Fund towards this project.

Kenny Fries: Which will be reimbursed.

Paula Hughes: And the approval to purchase the building. You need overall approval.

Paul Moss: How has that worked in the past in terms of the reimbursement? I know we have gone through this before.

Tera Klutz: The revenue will just be deposited into the fees.

Darren Vogt: Would there need to be an agreement that the fees that are collected and associated with that would go back into the General Fund? Does that need to be set up ahead of time?

Kenny Fries: I don't think so. If we need that as operating costs, I would hate to have to come to Council every time we need \$10,000. I don't want to come back to Council again on this project. I hope that the next time you hear about it you will be driving on the course.

Paul Moss: Or shooting. Senator Wyss, we would like to invite you up here if that is okay.

Bill Brown: If I could just make one more small point before I get up. We are moving toward Shovel Ready sites to attract businesses. This whole concept of acquiring land or having the assets available, to move forward with projects, this just happens to be one that the Sheriff was interested in developing. As the transfer of money to land or buildings of value, it is a safeguard for county government because we have assets that are able to be liquidated. It is not money spent but money invested.

Paul Moss: Lima and Carroll Roads are a good example.

Bill Brown: That is another asset that we will see what happens in the future.

Tom Wyss: Mr. President and members of the Council, I thank you for allowing me to be here. First of all, I was very impressed that you started on time. If I could ever get a committee in Indianapolis to start on time, I would be completely shocked. Councilwoman Johnson, welcome aboard. This is an experience that I think you will really enjoy.

Maye Johnson: Thank you.

Tom Wyss: When you see the number of former County Council members who end up in General Assembly, you will realize that this is an unbelievably valuable position in government.

Maye Johnson: I will keep that in mind.

Tom Wyss: As most of you know, I have a very strong interest in kids and in Homeland Security. I can remember when Sheriff Fries was a candidate I got pretty interested in what he was talking about. The outdoor range and EVOG (Emergency Vehicle Operations Control) became much more of an interest to me when a lot more started going on with the academy (Northeast Indiana Public Safety Academy). What I was finding out is that we are going to have here in northeast Indiana and actually in Allen County something that is not only a tremendous asset to this community but a tremendous asset to the County. It will also be a tremendous asset to the State and the Federal government. The reason I say that is that the Federal Law Enforcement Training Academy that we have in Alabama, does not have some of the things that will be available in Fort Wayne. They have gotten very interested in and are talking to Brent Johnson of the City that this could become a regional site nationally. It could be for Homeland Security training, federal law enforcement training and so forth. One of the things that came up to Brent was that the only thing we needed up here was an EVOG. Brent told them that the County was talking about it. Those guys really lit up then. This has the opportunity to become a tremendous hit economically for this community as far as the people that would be coming in here. I can't give you numbers but we are being looked at. When we had the meeting at the academy about a month ago, I brought someone from the Department of Homeland Security. They said that there is no other place in the country that has had the State and local cooperation to create something like we have here for the Homeland Security aspect let alone the potential for the training that could be in the future. Fort Wayne, through the academy and through this operation, is tied in significantly with Miscatatumuck which is becoming a national training site. We have already had the feds down there and I can't tell you how excited I got when I started finding out about the potential on that aspect. I would like to say that the Sheriff's initial response was to have training for the kids and that is a great thing. It is a lot of money just for that. The potential for police officer

training, local, state and federal, is tremendously significant. The other part is that it shows Allen County working together with the City of Fort Wayne and working with the State of Indiana. This is how you get the attention of people when it comes to money and grants etc. I am hopeful that you can do this quote loan to the Sheriff and I think you are all going to be proud to see what this community will become. If you have any questions, I would be happy to answer them.

Paul Moss: We appreciate your comments. I think Councilman Buskirk has been waiting patiently.

Roy Buskirk: I just have a couple of comments for the Sheriff. To allow him to toot his horn a little bit, he does have several commitments as far as the track and the building and on the classroom situation. He is getting sponsors to commit funds to build a different classroom, for lack of a better term, naming rights. If there is anyone interested in doing that, they should contact the Sheriff. On the outdoor range, I believe a considerable amount of that is already in a pit that was on site and used for cover during the landfill operation. Part of the range will be in that pit area. That is another safety feature for the surrounding area.

Kenny Fries: When I looked at it, it appeared to be the perfect piece of property. The clay was mined from the eastern portion of the property where it is fifteen feet below grade already. Putting in the range is probably going to be one of the least expensive things to do.

Tom Wyss: Plus it is very close in proximity to where the Public Safety Academy is. It is almost like it was planned this way.

Paul Moss: Are there any other questions or comments. Would someone care to offer a motion?

Darren Vogt: I will make a motion that the County Council approve the purchase of said property discussed today.

Maye Johnson: Second.

Paul Moss: Would you like to put some dollars to that?

Darren Vogt: We need to do the motion to purchase first.

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

Darren Vogt: I make a motion that we spend up to \$75,000 of County General towards the purchase of this property.

Cal Miller: Could you add that this will be through the operating fees?

Darren Vogt: Sure. To be reimbursed at a later date.

Patt Kite: Second.

Paul Moss: We have a motion and a second. All in favor please signify by saying aye. All opposed same sign. The motion carries 7-0. Thank you for that presentation. Okay, kind of moving right along. The Deputy Mayor is here and Bob Lister is here as well. If Council is not aware and I suspect that you are, I had some conversations with Mr. Becker shortly after the Grand Wayne board approved to contribute \$2.5 million to the hotel project that is attached to the Harrison Square project. That will be over ten years at \$250,000 increments. One of the reasons that I had that conversation is because I was concerned that we were putting the cart before the horse. As you know, on an annual basis, we review the Grand Wayne Center budget. My concern at the time was that our hands would be tied when this came before us in the future. One of my concerns was that if this was a part of a bond process, if future Councils decided it was not an appropriate expenditure, then it would create issues for the bond. That has been resolved. You can explain that as well. Personally, I don't want to tie this to the Harrison Square project necessarily and formulate an opinion on that particular project. The issue for me was the Grand Wayne Center board and their action. I think you were going to give us an overview of the total project and then talk specifically about that.

Mark Becker: Thank you. I am Mark Becker, Deputy Mayor. What I would like to do first is give you a brief update of where Harrison Square is. I think everyone is aware that in mid-July we concluded the negotiations with Hardball Capital and White Lodging. The agreements define specifically what role the City will play and those parties will play in accomplishing the Harrison Square project. That was a big accomplishment. Those were very complex negotiations that we successfully completed. We are very happy to have the partners that we have in this project. From day one, we shared the same goals in terms of what we wanted to accomplish. The City Council and the Redevelopment Commission took action to approve those agreements. At the end of August, we will go before the City Council and the Redevelopment Commission to approve a bond anticipation note so that we can have some interim financing. Some of the other things that are going on, in addition to the State Tax Control Board meeting next week, there are negotiations with the Embassy Foundation and the hotel for the bridge to be constructed from the hotel and into the Grand Wayne. Those discussions are going very well. This will work for people to not have to go out in the inclement weather but it was also work well for the Embassy Foundation because of the improvements to be done on the upper floors of the Indiana Hotel. We go before the City Plan Commission on Monday for the approval of the primary development plan for the project. There has been a lot of work done. This is also for initial approval for the layout of how this will look on the site. We have also made progress with respect to the naming rights and narrowing down to a couple of potential corporate partners. There will be some negotiations with them over the next few weeks. There were a lot of meetings about a month and a half ago for both naming rights and the suites that would be available within the

ballpark. Hardball Capital has committed that they are investing an additional million dollars in the ballpark to expand the number of suites from twelve to sixteen. I'm sure you have seen the demolition going on and there is a lot of work being done. We are in the process of selecting the construction manager for the project. That will help some of us to release some of the responsibilities we have been trying to take on. There are a lot of details to be managed as we go forward. With that, I will shift gears to the discussion on the Grand Wayne. One thing I would like to give you is an employment background. In the negotiations with White Lodging, the memorandum of understanding that was agreed upon, we talked about what we wanted the primary inducements that we were looking to provide to the hotel developers was in the form of the pre-tax credits. There has been \$6 million approved in the negotiations with the State last fall in those tax credits which would go to the development of the hotel. We have had discussions with the State about increasing the level of tax credits for the project. Those discussions in January and February have gone very well. They understood that the amount they approved prior were well below the amount that the statute said. Later in the spring, we got word from the State that they would not agree to the increase from \$6 million to \$9 million.

Cal Miller: Mr. Becker, could you speak up a little? I know I am having trouble hearing you and Mr. Lister, who has a genuine interest in what you are saying has his ear cupped so that he can hear.

Mark Becker: Oh, sure. The point of the background is that it was the decision of the State to not increase the amount of the pre-tax credits. It then caused us to look at what other viable alternatives we have to provide a similar amount of inducements. That is when we looked at the Grand Wayne Center to potentially being a participant. The initial discussions with the board, there were two questions that we were asking the board to look at. One was whether there was a philosophical agreement that this kind of support coming from the Grand Wayne Center was appropriate. And the second was that if there was the philosophical agreement, did they have the financial ability to provide? There was unanimous agreement that it was appropriate for the Grand Wayne to consider this participation. As everyone is aware, for many years we have talked about the dire need to have another hotel downtown to support the Grand Wayne Center. We have such a significant investment in that facility and it is the position of this community to attract major move conferences into our community and the region. However, we didn't have sufficient hotel rooms downtown for such that a number of those shows. Steve, who is Chairman of the Board for the Grand Wayne Center, could probably give numbers of conferences over the past year that we had to turn away because there were not a sufficient number of hotel rooms. So it was a unanimous agreement that it was appropriate for the Grand Wayne Center provided they had the financial resources to do so. With that, I will turn it to Steve.

Cal Miller: What was the timing of the decision to approach the Grand Wayne Center vis-à-vis learning that the fund wouldn't produce the income stream?

Mark Becker: It was probably May or June.

Cal Miller: Of 2007?

Mark Becker: Yes, this year.

Steve Brody: Steve Brody, Consultant for the City on the Harrison Square project. As Mark mentioned, I am also the Chair of the Allen County Convention and Tourism Authority for the Grand Wayne Board. I will make a few comments but I want to say at the outset I wasn't personally involved in the meetings relating to this issue as they were held by the Grand Wayne Board. I had recused myself because of my role as a consultant for the City. But as Mark said, the Grand Wayne management and the board looked at this from the perspective of, number one, is this a good expenditure and, number two, can the Grand Wayne afford the expenditure? In the terms of the wisdom of making the expenditure, the Grand Wayne's board's view was that while the center is doing very well, we come to this body annually and report on the operation, we could do better. We are turning away significant larger groups that right now don't see the supply of acceptable hotel rooms in the downtown area. The Grand Wayne currently has a list in excess of thirty organizations who love the facility, say they would likely come here but don't have enough space to put their folks up. With the recent news about the Holiday Inn, there is some capital being put into that and the flag being changed, with the on-going operations of the Hilton and with the new Courtyard by Marriot at Harrison Square, Bob Lister refers to this as the perfect storm but in a good way. We will now have the supply of hotel rooms that will enable us to maximize the best utilization of the great facility that we have in Fort Wayne. In terms of the ability of the Grand Wayne to meet this obligation, I want to remind you that the City's obligation to the hotel developers is up to a twenty year obligation. That is for \$250,000 a year and that is really the Redevelopment Authority's obligation. What the Grand Wayne Center's board agreed to do is to make a payment of \$250,000 a year for ten years to the Redevelopment Authority. The agreement between the Redevelopment Authority and the hotel developers, that \$250,000 payment is guaranteed for the first ten years. During the second ten years, there are provisions in the document that could cause it to be reduced or go away. From the Grand Wayne perspective, we are talking about the years one through ten. Bob Lister, the Executive Director of the Grand Wayne Center, in conjunction with others on his team, put together a ten year projection. In looking forward at what the revenues would be and the cash on hand would be, the conclusion that he had was presented to the board and agreed by the board was that the Grand Wayne did in fact have the financial capacity to make this kind of commitment. I know that the question has come up about whether some action should be taken by this body in advance. What I will say about this topic is that the Grand Wayne has always operated on a cash basis. All that we have come to you with each year is the budget for the coming year. That budget entails the expenditures that we expect to be made in the following calendar year. In this case, we will not be making the first \$250,000 payment until at least 2010. Therefore, it won't be in out budget for next year or for 2009. I don't view it very differently from

coming to present the 2010 budget and saying that we are going to be paying utilities and other expenditures relating to the operation and we have a \$250,000 obligation to the Redevelopment Authority. But in terms of this body's decision on whether it should take any action in advance, I would defer to you and Marvin Krell which is the attorney for the Convention and Tourism authority who prepared a memo on this topic and was submitted to Joe Bonahoom at the City. I have copies of that memo that I can provide to you.

Paul Moss: It is important to point out that if you were to come before us with a budget that has some substantial increase in a particular item, we don't have to approve it.

Steve Brody: I understand that.

Mark Becker: I know, Councilman Moss, as you pointed out earlier, this will be an annual payment.

Paul Moss: So it is a direct payment to the developer essentially.

Mark Becker: Right. Under the agreements with them, what we will be doing with the bridge in particular, there are portions of the hotel that will be publicly available.

Paul Moss: I have a fairly long list of questions but I will defer if anyone else has questions. Maybe I am the only person who has an interest in this. In 2010, the payments begin. One of the components with this is that I would like to see that Performa that you provided at the meeting. I think that would be helpful. Since I don't have it right now and haven't had an opportunity to digest it, I will take one and look at it later. If I recall correctly, having attended those meetings, one of the arguments was that the additional income resulting from the hotel, the Innkeepers Tax, will essentially offset the \$250,000. Is that an accurate statement?

Steve Brody: It will offset at least a majority and very possibly all of it. In other words, if the Courtyard by Marriot gets bills, there will be additional food and beverage tax revenues that are generated and that comes to the Grand Wayne.

Paul Moss: So as a part of that Performa...

Steve Brody: Oh sorry, food and beverage goes to someone else.

Paul Moss: ...you obviously have to make some assumptions and plug and chug the numbers but what sort of an occupancy rate did you plug into that Performa in order to then extrapolate out the income that the Grand Wayne is going to get?

Steve Brody: At a 60% occupancy, Innkeepers Tax will be generated sufficient to cover the majority of this obligation.

Paul Moss: The current occupancy rate is pretty substantially below 60%.

Steve Brody: That is correct.

Paul Moss: So we are basically going to increase capacity and expect demand increase as well to increase the current occupancy rate. That is the base assumption?

Steve Brody: That is the base assumption.

Paul Moss: Reasonable people could question that, do you agree?

Steve Brody: Reasonable people could question it although I think you have to dig down and look at the nature of the hotel inventory that we have. We have a shortage of hotel inventory that caters to the convention goer.

Paul Moss: How often, on an annual basis, do we have 100% occupancy down there? If you have 100% occupancy, obviously we do need some additional space. So how often does that happen?

Steve Brody: I couldn't answer that. Bob Lister may be able to but I know that there are instances where we have larger groups in town. The Hilton is full and we are only able to get 200 rooms committed to a conference where there may be 500 to 800 attendees. Those same groups may or may not be staying at the Holiday Inn. The balance of them are staying in outlying areas.

Paul Moss: Since you have been on the board for a while, can you talk about some of these groups that have decided to go elsewhere because of the lack of hotel capacity?

Steve Brody: Names of the groups?

Paul Moss: Yes.

Steve Brody: We can send you the total list. I can't name them off the top of my head.

Paul Moss: You know, philosophically, this is essentially a done deal. I want to separate this from the Harrison Square project. I don't want to debate the merits of that. It is moving forward. It is an issue that the taxpayers get a little frustrated with because there are so many incestuous relationships out there. I think 90% or more of taxpayers get confused with, what is your board name exactly?

Steve Brody: Fort Wayne and Allen County Convention and Tourism Authority.

Paul Moss: Then you have the Convention and Visitors Bureau. People get confused and I think that is where the frustration level is coming from. That is one of the

reasons that we need to have this type of conversation. Is it accurate that the Grand Wayne has been providing \$100,000 to the Convention and Visitors Bureau as well?

Steve Brody: Yes it is and with the increase of the innkeepers tax and the additional one percent going to the Convention and Visitors Bureau, the Grand Wayne Center or Convention and Tourism Authority will no longer be making \$100,000 a year contribution.

Paul Moss: Okay. The CVB is going to be raising an additional half a million dollars a year. You will cut off your money next year when that goes into effect, correct?

Steve Brody: Yes.

Paul Moss: A couple more quick things here. For the Harrison Square project, the total amount of CEDIT dollars going towards that is roughly what?

Mark Becker: We asked the City to pledge \$20 million. We are upfronting some things in CEDIT that will be reimbursed by the bond.

Paul Moss: Would you agree that from an economic development standpoint that the primary reason we are doing all of this and spending the money on Harrison Square is to draw people in from other communities to an attraction and have them spend their dollars in this community? Is that what this is really about?

Mark Becker: No, the primary reason is because it is a catalyst for downtown. As we have studied downtown and what we need to do to change downtown from a place where no one is investing to a place where people see a return on their investment. There are only so many things that we can develop that could draw the number of people that this project will do. We want people to come into Fort Wayne to enjoy a many number of things. The primary reason is to put feet on the street in downtown Fort Wayne again.

Paul Moss: I think most of the people on Council here understand why I asked that question. I have a little bit of interest for some dollars for another attraction but substantially less amount of money. Philosophically, are you comfortable subsidizing an entity that is going to compete with other entities throughout the town? We have other hotels throughout the town. Halls would be an example. There are a variety of other hotels that don't get these types of subsidies. As a general rule, is that a good philosophy and what do you expect the outcome to be for those other hotels? They are a little farther out from downtown.

Mark Becker: There are a number of ways to answer that. Number one with respect to the outlying hotels, they will benefit from downtown Fort Wayne being a more vibrant place that is attracting more conferences. A number of hotel rooms downtown, even with what will be built and the improvements, aren't going to be sufficient to house the attendees coming to the conferences that we are hoping to

attract. So, logically, they will be staying in the outlying hotels. But I would argue that none of those outlying hotels help define the City of Fort Wayne. The quality of this new hotel downtown will help define Fort Wayne. The hotels in Indianapolis help define Indianapolis. I can't name the hotels out on the beltway around Indianapolis, there are many of them and they are needed. The ones here are needed. This critical investment in downtown Fort Wayne will help define our city. It will help position our city to attract other investors.

Paul Moss: Well, again, the primary reason for this discussion is to make everybody aware that we are going to have this issue come up in a couple of years. Some of us, like me, may not be here at that point in time but I didn't want to be in a situation where a commitment has been made that we essentially have to rubber stamp. I certainly appreciate you coming here and helping better explain this. Councilman Buskirk, did you have a question?

Roy Buskirk: Yes. On the commitment by the City to the hotel is for twenty years?

Mark Becker: Yes.

Roy Buskirk: Is that the same life of the bond issue?

Mark Becker: The bond is longer than twenty years.

Roy Buskirk: The bond, \$20 million, is that for the whole Harrison Square or is it just for the hotel?

Mark Becker: That is the whole Harrison Square.

Roy Buskirk: But there is no bond issue connected directly to the hotel?

Mark Becker: No. One of the unique things in support of the hotel is that we have really been able to accomplish a lot through the tax credits and other things that are available through State and locally through tax abatements for example. As you look at hotel deals that have been done in other downtown areas we are very proud.

Roy Buskirk: There has been a rumor and of course, a rumor is a rumor, that there is a commitment by the City to the hotel of guaranteeing a certain percentage of return after ten years.

Steve Brody: There is a provision in that there is an income participation clause whereby if the hotel generates a return of X on its investment, then the City would get a portion of the profits in excess of that. But the City is not, in any way, shape or form, guaranteeing any kind of return.

Roy Buskirk: So there is no reversal on that if the return is less than X?

Steve Brody: No.

Paul Moss: Any other questions or comments? Thank you again for coming forward.

APPROVAL OF MINUTES:

Paula Hughes made a motion to approve the minutes of July 19, 2007. Roy Buskirk seconded it. Motion passed 6-0-1 (Cal abstained).

FINANCIAL REPORT:

Lisa Blosser, Auditor: The amount left for appropriation in the County General Fund is \$69,097. For your consideration today, there are requests for additional appropriations in the amount of \$16,781. In the County Council Capital line budget, you have available \$521,249. I do have an update to the actual cash balance that is reported on your financial report. As of yesterday, Wednesday's deposit, we have a cash balance of \$3,743,367.

Paula Hughes: That is because of property taxes.

Cal Miller: Move for approval of Auditor Blosser's financial report.

Darren Vogt: Second.

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

Lisa Blosser: May I make a recommendation before we get started? It may make things a little bit easier in the future. You had earmarked \$75,000 for the Sheriff's shooting range. You have already appropriated \$521,249 within your budget and you can transfer that \$75,000 out of your line item into his capital budget. That way, the Sheriff wouldn't have to come back again. It has already been appropriated and is a direct transfer into his budget

Paula Hughes: But we don't have the exact amount, yet. Is that correct?

Darren Vogt: We will have to wait.

Lisa Blosser: You could transfer the \$75,000 and tell him not to spend more. I think you can trust the Sheriff on that.

Darren Vogt: That doesn't have to be advertised?

Lisa Blosser: No.

Darren Vogt: Make a motion to transfer \$75,000 from our capital line item to the Sheriff's capital line item.

Maye Johnson: Second.

Paul Moss: All in favor please signify by saying aye. All opposed same sign.

Roy Buskirk: do we need to rescind the previous motion?

Lisa Blosser: No, you just earmarked.

Paul Moss: The motion carries 7-0. Okay, in the General Fund Appropriations, items one and two are from the Auditor's Office.

Paula Hughes: As the liaison to the Auditor, I will explain that this Extra Deputy Hire and Overtime is directly related to the staff overages connected to the Fort Wayne Community Schools Remonstrance project.

Roy Buskirk: I make a motion that we approve items one and two.

Darren Vogt: Second.

Paul Moss: It is unfortunate that this is almost like a mandate that you have no control over.

Lisa Blosser: Absolutely.

Paul Moss: We have the remonstrance process that is important obviously but you get stuck with the bill. **We have a motion and a second, any further discussion? All in favor please signify by saying aye. All opposed same sign. The motion carries 7-0.** Item number three is contractual. Councilman Miller, are you familiar with this?

Cal Miller: Yes. Mr. McGauley and I have spoken but I will yield to him.

John McGauley: Good morning, I am John McGauley, your County Recorder. Our request today is for an appropriation of \$87,870 from the Identification Security Protection Fund to complete our project that is involving Social Security redaction, replacement of our land record system and the launch of our project to be searchable on line and the capability to record on line. The appropriation that you approved earlier was to purchase the software, get us implemented up and live. This will convert about twenty years' worth of data. This will convert everything that we had in the computer system from 1986 to June 25, 2007. That is about 2.5 million documents and this will also provide us with the capability to begin implementing some data that we also have going back to 1970. Before long, we will have thirty-seven years worth of data available electronically in our office and very shortly on

line. This is from a fund that was specifically created to provide us with that capability.

Paula Hughes: Move for approval of item three in the amount of \$87,870.

Roy Buskirk: Second.

Darren Vogt: I have a question. How is that fund generated and what do you see the long term use for that?

John McGauley: There is a \$2 document charge that we charge in the Recorder's Office per State statute that is intended to provide a funding resource for that. If I am not mistaken, that will give us more than sufficient ability to continue this project through the life of the contract and beyond. I believe that the fee sunsets in 2010.

Darren Vogt: Okay, thank you.

Paul Moss: **We have a motion and a second, any further discussion? All in favor please signify by saying aye. All opposed same sign. The motion carries 7-0.** Thank you, Recorder. The voters chose wisely and you have done a great job.

John McGauley: This has gone extremely well so far. We signed the contract to do this job in the first week of April and turned the key on it June 26th. It has been going very well so far. We delivered our last pieces of data to the contractor a couple of days ago and so we are essentially finished.

Paula Hughes: So the time delay when somebody files something to be recorded and when it is actually officially recorded is now what?

John McGauley: I was hoping you would ask that question. At the beginning of the year, we had a backlog of 71 days from the time you recorded a document and the time you got it back. Depending on whether or not you count weekends, that backlog now is 10 to 16 days. I include weekends so it would be 16 days. That is the way we have been judging it all along. Since we went live with this system, we have knocked twelve days off of it. We were at 28 days at the end of June and so the system is really paying off. We also received a rather extensive efficiency study that we have implemented as much as we can and realized some tremendous benefits. Number one is that we are almost at what you could call real time. We need those documents there for a few days to make sure that everything is right and we have documents scanned in and appropriately indexed before we go back. It will probably never reach zero but we are pretty close to real time.

Roy Buskirk: The one thing you mentioned is that with this program here, you will be able to record on line, right?

John McGauley: Correct. We will be the first in Indiana to provide the capability for our customers to record on line. We have customers from all over the country. We regularly receive documents from California, Texas, Florida and New York. That will provide an important capability and more important, a revenue funding source that will allow that to be self-supporting. That is the projection and our expectation.

Roy Buskirk: And that was something that the State Legislature, just this last year, to permit that. Always before, it had to be original and all of the other requirements.

John McGauley: When people e-record, contrary to what I said a few minutes ago about needing a few days, we expect to be able to return those documents and say that this is recorded within twenty-four hours. We will have everything we need when it gets submitted. There is very little for the staff to do at that point. The user is doing a lot of the indexing and double-checking that we do in the office. We will be doing our first live demonstration with a customer e-recording on August 28th.

Cal Miller: How are you going to let the folks from out of state know that you have that capability?

John McGauley: We did a mailing in conjunction with the Fidler software about two weeks ago and to over one thousand customers including some that had had rsvp'd to us that they would like to know about this. We also let them know about two new training sessions. We are also meeting with the Paralegals Association on this coming Monday. Between those two, we have almost three hundred people signed up for the training sessions.

Paul Moss: Well, thank you for that and we appreciate your time. Item number four is gas, lube and oil.

Chris Dunn: Good morning, Chris Dunn, Youth Services Center. I am coming before you to ask for \$5,000 from the 737 Placement Fund to cover gas, lube and oil expenses for the rest of the year. We haven't increased the line item for the last couple of years. We have the 737 Fund that we have used for this in the past. I will continue to do that instead of asking for more in our General Fund budget.

Paul Moss: So is it tradition to come back and ask for more?

Chris Dunn: I am asking for it from the Placement Fund and not the General Fund.

Darren Vogt: When he runs out of the regular, he comes for the 737 Fund.

Cal Miller: Move for approval of item four.

Darren Vogt: Second.

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

Darren Vogt: One more point. The truck issue that came before us, you have a truck and won't be coming before us to buy a new truck.

Chris Dunn: Correct.

Darren Vogt: Just wanted to update Council on that.

Chris Dunn: We have two dishwashers that were recalled. We had used them for roughly five years and GE was only willing to give a rebate of \$150 per dishwasher. I had to purchase two new and show that I had purchased GE products. We couldn't continue using them because of the fire hazard in the electronic keyboard. I am going to be coming before you next month to ask for the funds out of the 737 Fund. They were about \$300.

Paul Moss: If we spend too much time on a \$300 dishwasher, we have problems. Item five has been withdrawn. Item six is Extra Deputy Hire. Councilman Vogt?

Darren Vogt: While Mr. Miller is coming up, we had a conversation but it has been a while and I know what it has to do with but I don't want to mess it up.

Tim Miller: Tim Miller, Circuit Court Administrator. We had a legal action come against the court and so this is for attorney fees to defend that legal action. We had some Extra Deputy Hire funds left over from a person who went to a part-time position.

Cal Miller: I actually had an opportunity to talk to him about this as well. It is an expense that could not have been reasonably foreseen as the Council requires. I think it was a Writ of Mandamus and the court was exonerated.

Paula Hughes: Move for approval of transfer from item six to seven.

Roy Buskirk: Second.

Paul Moss: We have a motion and a second, any further discussion? All in favor please signify by saying aye. All opposed same sign. The motion carries 7-0. Transfer in Local Road & Street Fund.

Bill Hartman: Good morning, I am Bill Hartman with the Allen County Highway Department. Traditionally, we have had this amount of money in our contractual item. Last year, we were uncertain as to the disposition of CEDIT funds and how much we would have for aggregate and bituminous items and so we transferred that amount into those items for chip and seal. As it turned out, I won't need them and

would like to transfer them into the Gump Road project. This would cover the engineering fees.

Roy Buskirk: The one thing we discussed with Bill is the fact that this is one of the items that Council has had experience in before. You don't always know when INDOT is going to accept the project and the Gump Road is a project that is 80/20. The \$600,000 will be reimbursed at 80%. The County has to up front the expenses.

Darren Vogt: What is going on with Gump Road?

Bill Hartman: Between Coldwater Road and State Road 3, we are going to improve it to a three lane section with a multiuse trail. It is in the 2030 transportation plan.

Paul Moss: Say again. You are doing what?

Bill Hartman: We are putting in a three-lane road from Coldwater Road to State Road 3 along with a multiuse trail that is part of the project. In the Allen County portion, we have an interlocal agreement with Hometown who is going to participate also. But it is a reimbursement agreement where we need the money up front for the engineering to proceed with the project.

Paul Moss: Which side are you putting the new lane on?

Bill Hartman: It will be a center lane.

Paul Moss: And the trail will be...?

Bill Hartman: On the north side of the road.

Darren Vogt: I guess I am a little confused. That road has been resurfaced recently. When does this road, from the Hometown city limit sign, to State Road 3 which has already been resurfaced...

Bill Hartman: The actual construction probably won't take place until 2010 or 2011. I can't answer for the resurfacing.

Darren Vogt: That would have been a Hometown decision. Are they aware of the project?

Bill Hartman: Yes, they are a party to this.

Darren Vogt: Just a point of clarification. That road is going to be perfectly fine in two years and we are going to tear it up.

Bill Hartman: They obviously felt an immediate need to resurface it.

Darren Vogt: It is a well traveled road. I don't disagree with that.

Roy Buskirk: One other comment while Mr. Hartman is here. I know some of you had concerns with asphalt roads being chip and sealed over the top of asphalt. This is a program that the County Highway Department has to extend the life of asphalt roads from 5 to 7 years by putting chip and seal instead of putting on more asphalt.

Bill Hartman: Some of the roads, like Monroeville Road, that we would traditionally use hot mix on, this year we will be putting down chip and seal. It is a common practice that INDOT uses on their rural state routes which take more traffic than some of our routes. We are going to try this out and see how it works.

Cal Miller: Harkening back to the conversation about the chip and seal, I don't think there was any concern that it was a thing that should be done for how it expands the life of the road. It was what is the most appropriate use of CEDIT dollars?

Roy Buskirk: This has nothing to do with CEDIT dollars.

Darren Vogt: I think you are referring to a different conversation that was had a longer time ago than the most recent...

Roy Buskirk: The most recent ones were Monroeville Road and Tillman Road that were chip and sealed over. I have received a couple of calls on that. A couple of years ago, Gump Road was chip and sealed over asphalt.

Bill Hartman: We used to resurface thirty-five to forty miles of road a year and now we are down to about fifteen or so. Chip and seal is a viable procedure.

Darren Vogt: Can you then lay hot asphalt over that?

Bill Hartman: Yes sir.

Paul Moss: Does anyone care to make a motion?

Roy Buskirk: I make a motion to approve items eight, nine and ten.

Darren Vogt: Second.

Paul Moss: **We have a motion and a second, any further discussion? All in favor please signify by saying aye. All opposed same sign. The motion carries 7-0.**
Thank you. Item eleven is a request to transfer from Maintenance Agreements in the Reassessment Fund.

Stacey O'Day: Good morning, my name is Stacey O'Day, Allen County Assessor.

Ryan Kuenneke: I am Ryan Kuenneke, Chief Deputy.

Stacey O'Day: Two issues before us this morning. One is to transfer from Maintenance Agreements to Market Analyst and the other is to make sure that the Market Analyst job is given a salary range.

Paul Moss: We have talked about this, when did we talk about this? Was that at Personnel Committee?

Maye Johnson: Right, we did.

Paul Moss: Are there any questions?

Maye Johnson: I move for approval of items eleven and twelve.

Cal Miller: Second.

Darren Vogt: Have we had a full discussion about this position and all of that?

Maye Johnson: Yes.

Darren Vogt: Okay, it is the same one but we are finding out now with the transfer. Help me to understand how you have \$21,000 in maintenance agreements.

Stacey O'Day: That is the budget that was given to us prior to the other administration. The County takes care of the maintenance agreements for all of the township offices and we thought that it would be better to transfer it to utilize this position.

Darren Vogt: So it was over-budgeted in your...

Stacey O'Day: I would believe so.

Darren Vogt: So did you reduce your budget for 2008?

Stacey O'Day: For maintenance agreements, yes.

Darren Vogt: Okay, thank you.

Paul Moss: Any other discussion on this item? **We have a motion and a second. All in favor please signify by saying aye. All opposed same sign. The motion carries 7-0.**

Paula Hughes: Move for approval of a salary ordinance approving the title of Marketing Analyst for a Spec Occ category with an annual salary of \$43,000-\$49,000.

Patt Kite: Second.

Paul Moss: We have a motion and a second.

Cal Miller: I do have a question. Can you have a range in a salary ordinance?

Lisa Blosser: Yes. We have done that before.

Roy Buskirk: Oh, under Special Occupations, that is the reason.

Paul Moss: I think there is a motion and a second on the floor. All in favor please signify by saying aye. All opposed same sign. The motion carries 7-0.

Darren Vogt: Can you give us an update on the lawsuit and what is happening and needs to happen? Is there anything we need to worry about from our perspective?

Stacey O'Day: Can you clarify which lawsuit?

Darren Vogt: The most recent one with the property owners and the reassessment. Council, we haven't been updated about this and if this is something that is going to have a financial impact on us, we might need to know about it.

Stacey O'Day: It is relatively new as we were just given the information about a day and a half ago. We don't know when the trial has been set but believe it is going to be soon. I am confident in the numbers that we do have. The other counties that are under the same scope, if you will, have the same type of lawsuit almost verbatim such as Marion County. Their issue is that they did not trend commercial industrial. That is the main topic of the issue. I can assure you that Allen County did trend commercial industrial and we did see values changing up and down. All different properties classes were assessed equally.

Cal Miller: At this point, I would like to interject that I don't know that you should be making a statement. We just wanted to know the status of that suit and not the explanation. You might want to reserve that discussion with your counsel so that we don't make a record of what the position is of the Assessor's Office.

Stacey O'Day: I was just over-capping the press release that we did prior.

Cal Miller: I still would just stick with the status.

Stacey O'Day: As for the future, at this time, we don't know until we have to present the case.

Darren Vogt: So is the potential is that we could have legal fees that could...?

Stacey O'Day: Absolutely.

Darren Vogt: That is what I was trying to get at with Council there may be a situation. This is not something that they could have foreseen.

Paul Moss: We are now at Other Business to Come before Council and it looks like we one issue and an expensive issue which is a cooling tower for the City County Building. Mr. Peters are you planning on talking about this?

Nelson Peters: I had planned to help Mr. Freck but I am here if you need me. Good morning, I am Nelson Peters, Allen County Commissioner.

Dan Freck: I am Dan Freck.

Nelson Peters: We have gotten ourselves into a position right now to where the building is just old enough and we have some maintenance needs that weren't totally unexpected but are reasonably expensive. With that, I will let Mr. Freck describe them.

Dan Freck: Less than two years ago, we were up on the tenth floor doing some winter maintenance. We ran into an issue underneath the two cooling towers that supply the air to the City County Building and then transfers to the Courthouse through the tunnel. Over the years, we had noticed that the structural steel and supports were deteriorating to a point that I had to get hold of a structural engineer to look at it. We approached the Commissioners to do a winter project and repair to get us through the coming year. Then we set forth with a mechanical engineer with a more in-depth report to what has been going on. I have not found too many records in the past history of it. When the building was built in 1969, we feel that this is the original structural steel that supports the two cooling towers. In roughly 1980, those two towers had been replaced. The company that manufactures and installs those towers stated that these towers have a life expectancy of roughly 18 to 20 years. I don't feel that in the earlier years, the water that goes into those towers had been treated. We do that all of the time now. We test for certain items and it is all treated water that goes through the cooling towers. Those towers are right at twenty years. They are a tower that cannot be disassembled, taken down and out. In order to fix the structural steel underneath, the towers have to be disassembled. The mechanical engineer that we used for consulting along with the structural engineer feels that this would be the appropriate time to upgrade that area of the building. Towers run at 100%. We have an idea that we can do some energy savings programs. We are thinking of moving the cooling towers up one flight which is up to the tenth floor roof. That would leave the existing area for a holding tank and then put in a sand filter system and a high pressure pump to get the pressure up there. The high pressure pumps are located in the basement. By the time it goes through ten stories, we have lost fifteen to twenty pounds of pressure. There would be programmable soft-starts on the new motors and energy savings programs. We wanted to come today to give you a rough scenario of what might be coming our way. Then we would get on the agenda for next month to ask for the roughly \$520,000. There is an option in the pamphlet. We would like to see the option two which will get us where we want to

go. In option two, there is an add to maybe work on the water lines on ten. They did a study on that and found out through one test that those lines are still in good shape and have only worn down about 25%. The engineering firm feels we still have a good ten to twenty years on that. That option would be about \$125,000 and we wouldn't really have to think about that right now. Once the new cooling towers get in place, they will give us roughly twenty years life expectancy.

Nelson Peters: What we are asking for today is a commitment from this body so that we can go ahead and begin the work. We didn't get this advertised the way we needed to but I think if we have the commitment, we will be back next month to request that appropriation.

Paul Moss: So this has been bid out already? Do you have competitive bids or you will get competitive bids?

Nelson Peters: This is basically the engineering that has been done that came up with these numbers for us. Much of the engineering has been done but to the extent that we need to bid, we will.

Paul Moss: For the actual work, right?

Nelson Peters: Right.

Paul Moss: Do you all maintain a fund for general building maintenance?

Nelson Peters: Yes we do. That generally is the CUM CAP fund. Mrs. Heck just provided me with the sheet that in part, through Councilman Miller's counsel, we went through an exercise outside of our CREDIT budget to rank priorities and assess to ourselves what would happen if certain things can't be funded. We have about \$1.664 million in the COIT Flood Control fund. A lot of that has been earmarked for the Sheriff's headquarters. These numbers are about a month old. There is about \$1.7 million in CUM CAP. There is about \$346,000 in CREDIT. This is a total of \$3,775,525. If you look at our immediate top priorities which include hot water in the Justice Center, dampers, brick on the Courthouse Annex and boilers on the Courthouse Annex, the cooling towers that we are talking about today along with the voting machines for the Election Board, we are looking at \$2,044,000 right out of the gate. If you include all of the other things we are talking about, from some of the renovations in the Auditor's Office to some of the fire system needs we have in Youth Services and the Jail, that number quickly becomes \$4.3 million. We have \$4.3 million of needs and \$3.7 million to fund it. We can ask for the appropriation out of the CUM CAP fund, to your question, which would leave us with a little bit less to fund some of these other projects right here. I would be happy to provide you with this list and have you help us prioritize these things. Or we could make the request out of the General Fund which would get you guys really happy.

Paul Moss: Councilman Vogt?

Darren Vogt: Mr. Freck, I read through this proposal and I see nothing that there is something wrong with the current cooling system. What I see is that the structure is failing. Have we looked at the cost to just specifically to fix the structure? That is the piece that I am missing. As I read the existing system, that although it is older, it is not broken or in need of repair. It is the housing of that system. I am missing the piece that is going to allow me to support the funding of something brand new when what we have is working.

Dan Freck: During our appearance with the Commissioners, we let them know what is going on. As we talked about it, there is no way to remove the structural steel unless we take out the cooling towers. There is a roof above the existing towers that would have to be cut out. The towers would have to be disassembled and chances are they would have to be craned out. Then we would come in and take a bit of the south wall out, take out the structural steel and put the new steel down. We were looking at the flat roof which is underneath that and is the ceiling to the ninth floor. We were looking at that at the same time we were did a test on that roof. That seems to be in pretty good shape right now. If we went the other route, we would take appropriate actions to take care of the roofs and the drains at that time. Once Engineering Resources and Design Collaborative made a decision to put a pamphlet together, they thought the option would be better to remove once the roof had come out to take out the towers because they are not set up to be removed once you have put them in. They have to be totally disassembled.

Nelson Peters: Part of the equation is that the current cooling towers are about twenty years old. The life of the cooling towers is about twenty years. Although they are not failing today, the recommendation of the engineer is that once you go through all of this work and replace everything as it is now, it will be next year before the cooling towers blow and you will have to come back and spend all kinds of money to do what could easily be done right now.

Darren Vogt: Commissioner Peters, I am missing that in the report. The report is three sentences and it says the cores, which were replaced in 1997. Portions of the towers may have been replaced in the 1980's but the cores were replaced in 1997.

Cal Miller: If I may jump in, I agree that the most compelling argument that you have for replacement over the procedure that Mr. Freck has outlined is not in the report. If we get that in the report to justify the expenditure, I think you will find a more willing Council. That cost needs to be fleshed out a little more so we can make the most informed decision about this big ticket item. What I am hearing sounds compelling but until we have that piece of the puzzle to consider, I don't know that we can do our job.

Dan Freck: I can do that for you. There might also be a small thing into the support steel that was done last year and wasn't put into the main pamphlet.

Darren Vogt: If you are having to open the roof up, then I think we need to know what the full picture is. It may be that this is the option that we have to do but without having all of the information, I feel that I am making a decision that is not based on all of the information.

Dan Freck: I can do that for you.

Cal Miller: This is not a dishwasher and so I think the scrutiny level is considerably higher.

Nelson Peters: Let me ask you if this would be appropriate. Timing is critical to move this project ahead. If we were able to come up with some numbers to call all of you to get some sense as to whether we would be able to move on with this project.

Darren Vogt: What is the sense of urgency? The system is working correctly right now, right?

Dan Freck: What we would do is schedule this project on our initial shutdown of the towers for the remainder of the year. This would be done during the wintertime and then have it up and running for the Spring of 2008.

Darren Vogt: How long did they say this project would take?

Dan Freck: They felt that if we could start shutting the towers down in the first part of November. Unfortunately this year, we had to start the towers in mid-March. We knew we had a little window right in there. We figured November to the first part of March.

Darren Vogt: They will be able to do the work in that time frame?

Dan Freck: It would probably take a little longer if we went ahead and did the piping but we said we could do without that right now.

Darren Vogt: Are we in any kind of jeopardy if the project isn't done this winter and is done next winter?

Dan Freck: The report that I have gotten from Engineering Resources, when they supported the two main beams, they never really gave me that this is a band-aid for one year or so. They only said that there are no real issues right now. I can call them and see if they can give you a better update on that.

Darren Vogt: The only reason is that I don't want us to have to rush to make a decision on a major expense when you have \$4.some million dollars of priorities. We need to make sure that we are doing our best to help you prioritize what things we need to spend the money on.

Nelson Peters: Let me leave you with this. What we will probably find out is that the \$520,000 will probably be the bottom line and anything that is not handled sooner rather than later will probably cost more than the \$520,000.

Cal Miller: Is there any portion of this project that has to be done irrespective of if you replace the towers or not? That money could be released at this point or at least a verbal commitment of that money?

Nelson Peters: Yes, we are going to have to fix the roof. I don't know what that cost is.

Dan Freck: When they put the pamphlet together for the roofing and stuff like that, the flat roof underneath the cooling tower is sufficient. The test we did on that came back good. To proceed with this project and tear off the roof and everything above that and relocate that tower, then that roof on top of that is in this price.

Darren Vogt: That includes re-roofing where we have to cut the hole out.

Dan Freck: Right.

Darren Vogt: And that has to happen no matter what else you do.

Dan Freck: Correct.

Darren Vogt: I guess we need to have that separated out if we are going to repair the roof no matter what, how much is that of the \$520,000?

Cal Miller: Is that the first work that is done? I want to try to accommodate Commissioner Peters' request that he at least leave with an understanding that although we can't advertise it, the Council would agree that we go forth with the first steps that have to be done irrespective of which option is selected. Where does the roofing fall in the sequence of work to be done?

Dan Freck: That whole section will have to come off. That will be the first phase of it. They will take the portion where the new cooling tower will come in and we will have to do an asbestos...

Cal Miller: The detail of what you are doing isn't as important as this is the first step you have to do.

Dan Freck: Yes, if you go with just replacing the structural steel, the roof will have to come off and the cooling tower will have to be set aside.

Cal Miller: That also will have to happen if we go with replacing the whole thing, right?

Dan Freck: Correct.

Cal Miller: With that established, I would be comfortable saying to Commissioner Peters that we give him a pledge of those funds so they can get moving on that aspect while we wait the judicial detail that would support \$520,000.

Darren Vogt: I think the \$520,000 includes the roofing though. I would assume it is broken down somewhere.

Roy Buskirk: I don't think you are going to be doing anything to the roof unless you are going to be replacing the cooling towers or moving the towers.

Darren Vogt: No.

Nelson Peters: What I am hearing is that this body is willing to work with us to get the problem fixed. We will bring back some numbers and I will try to call you individually with some numbers before the next meeting to see if your level of comfort increases.

Paul Moss: I know you are becoming more and more of a fan of subcommittees lately, would you like to have Councilman Vogt and Councilman Miller as your unofficial subcommittee on this?

Cal Miller: I decline that invitation.

Darren Vogt: More information is needed. I don't think you are hearing objection. You are hearing more questions so we can make an informed decision.

Nelson Peters: I think we understand what you are after and we will get it.

Paula Hughes: I will interject that I think I appreciate Mr. Freck being insightful to put all of this together. It makes sense to do all of this at one time. The further explanation is needed because it wasn't included in the report but I do trust Mr. Freck on this. It sounds like it makes sense and we are in a position capitalwise to do these kinds of projects now. We forget that we have a fairly substantial amount of money that is not earmarked in the budget or if it is earmarked, it is done so in a very generalized way. It makes sense to do these projects that keep us from spending more money down the road.

Cal Miller: I agree and as soon as we here from Mr. Freck that the alternative we have been exploring is cost effective, I am going to be saying let's do it.

Paul Moss: I am not an HVAC expert but I do believe that just on general knowledge and experience, if you take these units down, jostle them around, they end up basically knocking them out completely.

Darren Vogt: Keep in mind that the cores are only ten years old. The framing is old but the cores aren't. They have been doing a good job of maintaining them as needed. This is a complete replacement.

Nelson Peters: Thank you.

Paul Moss: We are going to finish out the official agenda here and then take a quick five minute break.

Paula Hughes: I know the need to do that but Judge Pratt and the DFC people have been sitting here for over an hour.

Paul Moss: Is everybody comfortable with that?

Paula Hughes: At least at the outside, begin with them.

Paul Moss: Are there any recent or upcoming meetings that anyone wants to discuss? A couple of things I want to mention. I am not sure if you are aware or not but at the Board of Commissioners meeting on July 20th, there was a request by the International Brotherhood of Electrical Workers to have the Commissioners recognize them as the bargaining unit for a certain segment of employees in the County. I was at that meeting and was not aware that it was going to occur but I took the opportunity to speak on my own behalf, not on behalf of the Council, to strongly encourage the Commissioners to give their request due consideration. Any other meetings of note?

Darren Vogt: 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 August 16, 2007.

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.** I will assume there is no public comment.

Darren Vogt: 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 September 20, 2007 at 8:30 am.

There being no further business the meeting was adjourned at 10:30 am.

Paul Moss: If everybody is comfortable with it, we will start with an overview from the Auditor and then I will talk about the internal equity audit that was done by Human Resources and the impact on the budget.

Paula Hughes: If I could respectfully request again that the Division of Family and Children Services present their budget. It is outside of the scope of the General Fund and Judge Pratt has a case that is waiting.

Paul Moss: Okay. Let's go ahead and do that. This probably wouldn't take very long but you never know.

Paula Hughes: I think the Personnel Committee and internal equity will take some time.

Paul Moss: I am hoping that it doesn't but we will see.

Maye Johnson: To the other members of Council, I met a few weeks ago with Judge Pratt and Michelle Savieo and I recommended that they meet with some other members of Council because their request is huge and there are some complications with the State funding piece. So if you will restate your case, we will move on.

Judge Pratt: Charles Pratt, Court Judge, Superior Court.

Michelle Savieo: I am Michelle Savieo, the Director of Allen County Department of Child Services. We also have with us Linda Haggengjos, our accountant and Steve Scott, the Region Four Regional Manager. We are here to present our 2008 budget and as you probably haven't had the opportunity to see, but it is a rather drastic increase from the 2007 budget. We are asking for \$37,000,640 for operating in 2008. We have noticed in the last couple of years a rather significant increase in the number of children and families that we are serving. Between 2005 and 2007, we have increased our numbers from having 900 children that Allen County had to work with to over 1200. What we have also seen is that our placement costs have risen. We have been working and hoping to bring some relief placement costs by adding some services however the intensive programs that we hoped to start have not started at the level that we hoped for. We have continued to bring in a significant portion of reimbursements through 4D programs and anticipate it to be about \$9 million dollars of reimbursement in 2008. We are seeing placement costs as being the major contributor to the increase in the budget. In June, 2007, we spent \$49,000 a day to service children in placement which resulted in nearly \$1.5 million a month. We have seen placement costs rise anywhere from \$30 in a four year period to \$100. We have also seen a need for placement increase as the need for our services have risen and we have simply been unable to make any impact on reducing those placement costs. Judge Pratt and I have talked and have tried to develop plans. Judge Pratt talked to Judge Sims on ideas that we can implement. To be honest, I can see the costs continuing to rise. I have recently learned that we are going to be directed by the State that any investigation that we substantiate has to go to court. In June of

this past year, we substantiated 72 investigations and only thirty of those went to court. As you can imagine, our numbers are simply going to continue to rise. The families that need to be involved with our department, as a result of abuse or neglect, continue to go up. It has risen about \$4 million dollars a year over the last five years. This year, we will be about \$1.9 million short ending the year because we had hoped to make an impact on costs. What we actually saw was that our numbers went up.

Judge Pratt: I think what Michelle pointed out that the increase in the number of children coming into the system is one factor but the second factor is the nature of their needs. Those are becoming more significant. The bulk of the cases that we are asking for are not what we used to call the “dirty house kids”. Those we when we would come in and help them clean up the house and get things turned around. We would help them with their budgets and get their finances stabilized. We are having children come in with significant emotional and health needs for example they have behavioral problems and so do their parents. We have many cases where one or both of the parents carry chronic mental health problems as well as does the child. Secondly, an impact on us, I have a theory that because we are a larger urban area, people move in to Allen County because this is where most of the services are. As a result, it impacts us more than it does some of the outlying counties that are faced with meth and those types of things. Therefore, we have a number of kids that are likely to remain with us as wards of the Department of Child Services from an early age through their eighteenth birthday. Then they would be waived into Adult Protective Services. Those are long term costs that we have that are ever existing. Then we have children being diagnosed with significant mental health issues at a very young age.

Paul Moss: Councilman Miller?

Cal Miller: This will require, perhaps some assistance from the Auditor or some of her staff, the increase that you are asking for, based on the trends, what does that increase mean per one hundred thousand dollars of assessed value of property tax?

Lisa Blosser: It would be a \$56 increase.

Cal Miller: Judge Pratt, you said something that you were theorizing why there is increased placement was the comment that you made that people are coming to our community because we provide the level of services that we do. As someone who has lived in this community, I don't see the fairness in providing the attractive landscape in support and services that are provided to people who are not necessarily paying the \$56 per \$100,000 of assessed value. So by providing the attractive services that we do, I have to wonder if we should be offering the services that we do so that we do not put ourselves in the position of attracting people that aren't contributing to the tax base to pay for the services.

Judge Pratt: Maybe there is a mischaracterization of the way I explained it. This is just my theory. I think this is true of any large urban center where hospitals and

mental health centers are located. As a natural result of that being an urban center, it is where there is going to be a larger density of people needed those services. That is why I think our types of cases are different somewhat from some of the rural counties. We are experiencing very few meth issues because that tends to be a more rural problem.

Cal Miller: Do urban centers typically provide richer services?

Judge Pratt: That is where services center.

Cal Miller: What are the options here because we all know that taxpayers are being taxed in a number of directions and there is a concern about property taxes? Where does it end? All I am hearing from Ms. Savieo, and this is not a criticism of you in any way, is that there is no end in sight. What do we need to do as a community or fiscal body to put an end to the resources that we are going to attribute? The services that are provided are exceedingly important to the community and the people that we provide them to. But ultimately there is going to be a finite amount of money that is going to be spent and those dollars have to be prioritized in a way that makes the most sense and fair to everybody. So, while I am hearing from you, Ms. Savieo, the increases don't appear to have any end on the horizon, I can't accept that we have to continue to fund something that is continuing to grow at a rate that we don't see having any end in sight. As a Council, I am not sure what we do with respect to the request. Nobody is able to put a finger on why we are being asked every year to spend \$4 million over what we did last year. This is a very concerning increase that we need to decide as a Council where we prioritize the taxpayers' dollars while we recognize the importance of what you provide to the families. At the same time, we need to recognize that we have a finite amount of money from which to provide the services to the taxpayers and the community. This is a difficult question to wrestle with and I am not...

Judge Pratt: I concur wholeheartedly. I live in Aboite. We have struggled with this. The box that I think we are in is that these numbers are going up and we looked at how we measured up and how we fit within the region. We are within the mainstream or slightly above, in some instances, of the mainstream of what we are doing. We are not out of step with what is happening statewide. Secondly, the box that the State Legislature has put us in, with regard to how this is all configured, is if we underestimate and we have these dollars, we are going to have to come back and ask for money that results in the County borrowing in order to meet those expenses. This is not where we can come in and ask for a re-allocation from the General Fund like we have done in the Superior Court issue. We are facing the potential of having the money with an increased cost to the County.

Michelle Savieo: Also, to speak to your question, I think there are a couple of things that we are trying to do that hopefully will help us see an impact on this. One is that during this past year, we implemented with the State providers, the network for safe families. This is a prevention program that is an early intervention program for

people who need the help. It is a voluntary program. If somebody identifies that someone is beginning to go into crisis, they can call this program. We have not had anything like this before. This provides education to the families in the hope that they won't need our services. Secondly, we are in the process in Allen County of rolling out a practice reform. Practice reform means teaching our staff to be facilitators and to engage families in the process. When you get families involved earlier, we do a better job of getting them into services and identifying their needs. We have families that come through our system, we get them stabilized and close the case and then a year later, someone loses a job or there is a large stress in the family and they end up back in our office. Hopefully, if we can establish that support system, then there will be somebody else there to help them pick up the pieces. Hopefully, those two processes that we are implementing will help top make an impact on our budget. The idea is that we will be doing a better job. I am sure that you have heard that the State is hiring 400 additional case managers over the next year. This will bring out caseloads down to twelve investigations per worker. That will help our department to do a better job. If a case manager is only working with seventeen children, that may be six families. That gives them the time to really get in there and know that family, identify their needs and make an impact.

Paul Moss: Councilman Buskirk?

Roy Buskirk: This is the one of the budget items that we have no control over. The State is going to hire 400 additional agents and that cost is going to be passed on to the counties. This is one thing in which I firmly believe that the State should be paying for. The Indiana Department of Children Services should be a state budget item and not put upon the backs of the county property tax item. The State gives us credits, they can keep those credits. They need to take over some budgets such as this one instead of giving us those credits. It is a little funny game that they play in Indianapolis on saying that they are giving all of these credits even though they cut us back on these credits. Your budget has gone up 46% in one year. The information that we have been provided, don't take this personal because you are doing too good of a job, that is the reason you are attracting more costs. That additional cost should be passed onto the State or at least a regional area. That is what upsets me very much and the property taxpayers of this County. You have increased, from 2003, \$12 million roughly. Now you are coming in here and asking for \$28 million. The DLGF says that we need a quarter of one percent of all of the income in this county to come up with \$14 million. That is math from the levy freeze option number one. So in essence, a quarter of all of the income from this county wouldn't cover the increase that you have had in the last five years. It is just the fact that this needs to be a State budget item and not a county budget item. Get it off the property taxpayers and put it on the State. I think, Judge, what we need to do is work with our State Legislators and see in this coming year that this could be put on a State budget item.

Judge Pratt: Senator Kenly is chairing a commission that is meeting on this issue and I communicated with the Indiana Juvenile Judges Association President Judge Lynn Murray. Some of the proposals, as I understand them would still require

property tax levies coming from the County to pour into an overall state budget. That may be frozen at a certain level so it could be a relief in that there wouldn't be a continual rise in county taxes.

Paul Moss: It would be all coming out of the same pocket at the end of the day.

Roy Buskirk: The property tax replacement credit, that fluctuates every year. The very fiscal Council that we have been over the past several years, it is like throwing darts because we can't control our own destiny because of what they keep doing every year in Indianapolis. I am getting so tired of reading in the paper that it is local government has to cut down on local expenses and here it is a State item with you walking in here and asking for a 46% increase in your budget over last year.

Paul Moss: I think we have a pretty good idea of what your opinion on this one is.

Paula Hughes: I want to clarify, and this came up in the conversation a couple of days ago, there is truly not much that this Council can do. It doesn't matter what we think of this. The chain of action is that anybody in this community, whether school teacher, pastor, concerned citizen or court system, identifies a family or child in need of services and refers them to you, you have to evaluate them. You go through those evaluations and you say that roughly 30% that comes through your door are actually in need of services. But going into the future, all of those...

Michelle Savieo: Thirty percent will continue to be substantiated out of 3,500 investigations a year. From that 30%, about 40% are taken to court.

Paula Hughes: That is beginning with next year? Next year, every single one of those will have to go to court. But the department cannot choose to not provide service.

Michelle Savieo: Right.

Paula Hughes: It is State law and policy mandates these things but the chain starts here. We are not saying to stop reporting child abuse. That is not the point. Whatever the societal factors are that contribute to the increase, it is something that we are duty bound to provide.

Judge Pratt: The impact of those substantiated cases is going to be on the case managers and then on the court to try to process those cases. I would not anticipate a greater placement cost because those are already being screened out as it is. My court process is going to be impacted heavily. We are going to be a lot busier and scrambling for more court time.

Paula Hughes: But it could impact the Superior Court budget.

Judge Pratt: It could impact our work or it could impact the counseling or therapeutic services.

Paula Hughes: To continue with my chain of action, it is reported to your department. You receive this request and you evaluate it and then you have to follow through. That is how you build the budget from those numbers and projecting numbers that you see. You present the budget to us and if we deny it or deny part of it, you have to appeal it based on the original submission. We could deny but it would have a fairly hollow expression of irritation at the budget increase because it will be passed.

Michelle Savieo: If that denial was upheld, we predict that \$37 million is a conservative number for what we will need. With the numbers continuing to increase and the likelihood that I will have to be back in front of you mid-year telling you that we will need to take out a loan.

Paul Moss: Councilwoman Johnson?

Maye Johnson: I have a comment. First of all, I don't want to blame you for doing a good job. I want to commend you for doing the good job. This is a problem that we don't have any control over. I want to make sure that I am on solid ground with understanding that our numbers are not increasing and how do we compare with other counties? Did you give that figure? If we are seeing a big increase, I have to question what is going on.

Judge Pratt: You are asking how we compare to the other counties. I don't think I have that number.

Michelle Savieo: I don't have that information with me but I can tell you that Noble County has seen a huge increase in numbers this past year. A big portion of that is because of being a meth community. Other numbers are significantly lower than ours but they had removed over thirty-three children just within two or three months. That is drastic. Because it is getting more difficult for people to get ends to meet, we are seeing generational poverty and abuse that keeps growing. I think everybody is seeing an increase in numbers.

Judge Pratt: The in-home placement percentage average statewide is 23%. We are 27.5% so we exceed the State. We mentioned earlier that we were at mainstream or above in terms of what we are doing and in-home is an example of where we are doing better. When you look at CHINS placements, 11.9% of our kids are in placement compared to Whitley which is 11.8% and Wells is 2.2%. We are third best in our region. If you look at our total numbers, we had 1,161 children in the system on June 1, 2007. Whitley had 17 and Steuben had 93. That stays pretty consistent. There are two things we could be doing about it and that is being more deliberate in reviewing the more expensive placements. Although we are within the state average on length of placements, I think we can do a better job. The other half of the budget on placements is on juvenile delinquents. If they don't go to DOC, then Judge Sims places a child in a facility and that comes out of this budget.

Paul Moss: Councilman Miller?

Cal Miller: Thank you. There are two topics that I want to address. One is that what I find most troubling as representing the taxpayers of this county is that, unlike our General Fund, we have a cap. The County brings in X number of tax dollars based on the formula and there is a prioritization of how those dollars are going to be spent. With respect to your department, there is no cap to tell us to keep it under a certain amount and compare the priority or importance of what you do, vis-à-vis how the other tax dollars are spent. I find that to be unacceptable. I don't agree with Councilwoman Hughes that the Council's decision not to fund the request that you are making is a hollow expression. It is a statement that the County Council, as the fiscal body of the county, says no. That saying no sends another step of analysis that sends an automatic appeal and then it is sent to Indianapolis. But if we don't say no, that we don't believe that the taxpayers should withstand the increased cost that is being requested, we have said yes to the request! So, it is not a hollow expression to say no. It is a no that sends a sequence of events that gets this question more closely to where Councilman Buskirk wants it in the lap of the State to determine if it is fair for, using your theory Judge Pratt, that folks come to urban areas just because urban areas happens to be where Fort Wayne and Allen County are, that the taxpayers in Allen County have to pay for people coming into the area to take advantage of the services you offer. I intend to say no to the increase and invite the next level of scrutiny so that we can get this issue to a head. I say that, recognizing that I have had the very, very, very good fortune in my life of not having to have the services that you provide. I recognize, probably not to the level that you two do, what the importance of those services are to the people that you provide them. We have a finite amount of money that is collected by taxes and this approach and prioritization that sets your department outside of how the dollars are spent is unacceptable to me. I think our no is a very vocal and not hollow expression that we believe that there ought to be a different structure in place to address these needs and fund them appropriately.

Judge Pratt: I respect that position.

Paul Moss: Councilman Vogt?

Darren Vogt: I can't put it as eloquently as Councilman Miller does but I will form a motion, whether it gets seconded or not, that we send a clear message to the State that there needs to be a complete overhaul of how this is funded and the way to do that is by not approving the budget and making the DLGF go through it. I make the motion that we hold the Department of Child Services budget to the 2007 funding level.

Cal Miller: Before we entertain a second on that, I think as a part of this analysis, we need to ask ourselves as a County and not being too hasty in our decision...First of all, I second the motion. But here are the things as a County Council we need to consider now that we have the motion out there. What does this mean, is there an

automatic appeal taken, what does it mean if the DLGF agrees with the Council and what is the next step? If they don't agree with Council, what happens? What I don't want to do is put the taxpayers in a worse position than they are if the budget was granted as requested. I think we should understand what the costs associated with such a decision by Council today if the motion carries or if we are ultimately overturned by the DLGF. Can anybody comment on that?

Tera Klutz: There is a precedent from the last time this happened, a couple of years ago, that even though the law is as it is read, that the Auditor shall appeal, the DLGF did not increase those budgets more than the County Councils. That has been done and does not mean that this is what will happen. They could go somewhere in between. Obviously, people need operating increases.

Cal Miller: So, let's take it one step beyond that. If the DLGF either agrees with the County Council and your budget remains as it was in 2007, what I would like to know is what you think the impact with what you are going to be able to do is. Secondly, is there anything that this department can do, if the DLGF affirms the County Council's decision, to come back and ask for more money and if we are required to give it to them, where it comes from? That way we will know and not put ourselves in a bind with respect to not jeopardizing the fairly positive position of the General Fund. Does that make sense to anyone besides me? What would happen?

Lisa Blosser: We would bond.

Cal Miller: What I want to know is if the DLGF were to agree, if this motion carries, can the Department of Children Services come back and is there a mandate for the money? Can they require us to give them the money?

Lisa Blosser: Yes.

Cal Miller: What is the mechanism for that?

Michelle Savieo: It would cause us to take out a loan that has interest on it.

Cal Miller: Does the County Council have to approve that loan or is it an automatic?

Tera Klutz: I think they actually get to do that outside of the auspices of Council. You could give them the money from another source, maybe.

Cal Miller: Assuming that the Council wasn't willing to do that and the motion carries and the DLGF supports the motion and they were to bond, then how does that affect the taxpayer?

Paula Hughes: It would increase the burden by loan costs.

Lisa Blosser: And interest.

Cal Miller: Would that bonding affect the next year's tax rate at a greater degree because it was done that way than it otherwise would have been impacted?

Tera Klutz: Yes, unless you say no again when they have to budget these costs.

Cal Miller: We keep saying no to make sure that they don't get double whammied in any one year with respect to the bonding.

Judge Pratt: It would depend upon whether we could do as many different and creative ways as possible to keep our costs down. If there is a loan amount, it would be as limited as possible. If there is the challenge before us, we are going to work hard to meet the challenge.

Cal Miller: I think we all need to recognize there are some pitfalls to it that if we don't explore those, then we are not looking at the question as carefully as we should.

Patt Kite: I have some basic questions. The State is going to be hiring 400 new caseworkers. Is there a certain allocation for those people to come to Allen County?

Michelle Savieo: Yes. We have been receiving many of our case managers because they try and implement and fill out the case managers prior to rolling out on practice reform. We have already started our rollout on practice reform. We have increased our case managers dramatically. When I started, we had about 40 case managers in December of 2005. We have 89 now. I think over the next year we will get about twenty more.

Patt Kite: I guess the goal is to see that each case manager has a maximum of seventeen children?

Judge Pratt: That is state law.

Patt Kite: What is the current average?

Michelle Savieo: Currently they are averaging anywhere from 20 to 23 children per case manager.

Cal Miller: I would like to request that Councilman Vogt withdraw the current motion and tell you that, through the good advice of the Auditor, the motion should be last year's budget plus the 3.7% growth factor that the General Fund was able to have as part of the structure of the levy that we have. At least give them the 3.7% increase and if part of what we are motivated to do is put a cap on these things year to year, then I would like to see the growth factor on there.

Darren Vogt: I would be willing to amend that motion.

Cal Miller: And I will second the amendment.

Paul Moss: Okay.

Roy Buskirk: I was going to say that you could see earlier, with the eloquence that my friend to the right speaks, is the reason I let him speak for me but I think the taxpayers of Allen County would end up in a bad situation if we force this and go through a bonding issue. You would have the additional cost and the interest and many man hours spent by the Auditor's office and Judge Pratt's office. I do think that your program is also supervised by the State, correct?

Michelle Savieo: Yes.

Roy Buskirk: This is one reason why I get so upset and speechless in the fact that this is why it needs to be a state funded program and not funded through county property taxes. I would everyone who is sitting here today and all of the Council members to catch the ears of our State Representatives and twist it and get them to take over the funding of this program. I will not be able to support the motion that we currently have on the floor.

Paul Moss: Councilwoman Hughes?

Paula Hughes: I will echo Councilman Buskirk's sentiments. My reasons are two-fold. One, having spent the time with you, outside of this meeting, to thoroughly understand your budget and the reasons behind the way you put it together, I appreciate that you do truly believe that it is a conservative budget. Also, that this is a necessary for the ongoing service to the citizens of Allen County. I will never vote against something that is so well thought out and presented and is supporting a function that is necessary to the general good of this community. We have a crisis of dysfunctional families and it is acknowledged comprehensively throughout our media and we are stuck with the burden of dealing with that. I also do not want to put this county in the position of undertaking a greater financial burden by going through the motions of denying a budget that I believe to be well-founded. So, I will also vote against it.

Paul Moss: It is not a guarantee that the cost will increase by voting no on this. We are stuck in a situation where you have really no other way to protest this and to shine a little bit more of a light on it. It is clearly a societal issue. I haven't heard a whole lot of discussion that we are basically dealing with this on the back end which is essentially irresponsible parents. The kids are the victims and it is unfortunate that we are throwing all of this money on the back end. In my mind, it explains exactly why it continues essentially and exponentially to increase. This kind of ties to the discussions that we have had in the past about what the role of county government has in funding things such as the Allen County Co-op, 4H and things of that nature.

As you know, I am a little bit biased towards those activities but I do think it is important to keep those things in mind because it is all going to come out of the same pocket whether the State takes it over or the County pays for it. I don't have any easy answers in how to deal with this. If there is a solution, it would be generational and not something that is going to happen over the course of a couple of years. That is very frustrating. To be more specific, in terms of a couple of questions that I have, you accept and work with folks that do not live in Allen County?

Judge Pratt: No. These are just Allen County residents.

Paul Moss: That was just my assumption. I appreciate that clarification. Is it your position that there is no way, because of the mandates that you have to deal with, there is no way to cut back your services? For example, you made a comment that about 30% of the interventions end up being verified? Or is it the opposite and 70% end up being verified?

Michelle Savieo: Thirty percent end up being verified.

Paul Moss: With that in mind, is there an opportunity to triage a little bit differently those cases or is it impossible to do it because of the State mandates?

Michelle Savieo: We are looking at making sure that we are doing a very good job of verifying and having actual proof when we substantiate an allegation. That is because we don't believe that our interventions are always the best interventions because they are mandated. When we substantiate, now because of State law, that carries many impacts to the person. That person will never be able to work in a child care facility and so we are making a conscience effort to look at the investigations and make a thorough assessment and making sure we make good decisions. That is ongoing.

Paul Moss: So you don't anticipate any immediate impact. That answer makes me believe that there is no way to make a significant impact.

Judge Pratt: The only place I know to make a significant impact in a quick way is to be very circumspect about the placements that we have and to try to expedite their removal from placement and into licensed foster care. That is much cheaper per diem than a hospital setting or a residential treatment facility. We have the burden of doing that and improving our efficiencies in regards to that. I looked at it last night and if we can reduce just 40 kids a month out of placement, that is a million to a million and a half dollars that could be saved over the course of a year. I am not prepared to say that we can do that. I will tell you that we will take the challenge and work very hard to get as many of these kids out of the more expensive placements and into alternative, lesser restrictive placements to the extent that we can for the best interest of that child. If you are carrying a kid that is bipolar with Asperger's Syndrome and several other diagnosis's we may not be able to get them out of the

hospital setting as quickly as we would like. We have a responsibility to the community to do what we can.

Paul Moss: I think everyone agrees with that. I think it is important for everyone to understand that this is just one component of the overall dollars. I have served on the SCAN board for a while now and their annual budget is around \$8 million and there are other agencies out there that are basically dealing with the same thing. When you put all of that together, the total amount of money that we're spending on a subset of the population is just phenomenal. And again, it is all on the back end.

Michelle Savieo: Our placement dollars amounts to \$28.5 million of our budget. It is a significant portion of the budget. Judge Pratt and I have made a commitment that we will get together monthly and talk about what we are spending on placement.

Judge Pratt: And it will be case specific.

Michelle Savieo: That way, we will know that the staff is doing a good job and making good assessments. What I am willing to do, if it would be of interest to the Council, is to come once a quarter or however often you would like and share that information with you.

Paul Moss: I think that would be helpful and I want to reiterate that everybody appreciates the work that you are doing.

Judge Pratt: We are cognizant of the challenge we have and are cognizant of the means that you have as a Council as well. None of this is being taken personally. We are looking for guidance and help.

Paul Moss: Councilman Vogt?

Darren Vogt: One clarification and one point. You said that some kids are kept in your care until they are adults. Where do they go from there?

Judge Pratt: Michelle's operation does a really great job of getting the Medicaid waiver processed and completed at the time that a child reaches the age of eighteen. They then go into the Adults with Disabilities and are taken over by the State. They will be in some sort of assisted living based on their cognitive level.

Darren Vogt: And who pays for those?

Judge Pratt: That comes out of the State budget.

Darren Vogt: That was the point I was trying to get to is that it comes out of the State budget. I agree to Councilwoman Hughes and Councilman Buskirk's point of increasing costs to the taxpayers of Allen County. We have funds, that if there is a situation where the DLGF does not approve and they have to come back to us, there

are other options other than bonding. I don't want to say that bonding is the only option. There are funds that we have talked about today that we have to deal with later on that could potentially help pay for that. But to send a message to the State is vital that there is something wrong with a system that has no cap on it and continues to escalate. The only people paying the burden are property tax owners. It is not spread out across every person in this county but is limited to the folks who own property. There needs to be some fundamental shifting of where that money comes from. I think we should, and I am not volunteering to do this, draft a letter to the State Legislators saying that this is what we are doing and we need help. This is an increase since 2004 of about \$10 million. They need to understand this because it is not on their radar screen. Property taxes are on the radar screen but this is a portion of those property taxes. That is the things that we need to continue to push forward on our agendas.

Paul Moss: Councilman Buskirk and then we still have a motion on the floor.

Roy Buskirk: My question is that you mention about a third of some case goes to court. Judge Pratt, you mentioned that in the coming year 100% of them would have to come to court? Is there a possibility that we might have to have two judges?

Judge Pratt: The answer to that is complicated. There is a layer of things that we would have to go through to get another magistrate that would be funded by the State. That is partly tied to the populated caseload study. We are in discussion as to how we are going to handle that in the current calendar blocking. An additional judicial officer would not be required. We may have to do something creative between the departments in terms of staff support. My secretarial staff is maxed out at the present time. In terms of support services, it is going to impact the court in some fashion. Right now we are using grant money to have some independent contractors help us out with some stuff. We are switching over to QUEST which will streamline our processes of some data and issuing orders and that sort of thing. There are still some support services that we may need. You may see me back on something like that but in terms of the judicial officer it is not my presence to do that.

Patt Kite: Would you please restate your motion with the amendment?

Darren Vogt: The motion is to keep the funding at the 2007 level with the increase that the County gets of 3.7%

Paul Moss: **That motion has been seconded. All in favor please signify by saying aye. All opposed same sign. The motion carries 5-2 (Hughes and Buskirk).** I am going to apologize again to everyone who has been out there waiting. Your time is valuable and we are trying to get this as quickly as possible.

Paula Hughes: I wonder if we would consider shortening our lunch time. Right now we have an hour allocated for lunch and since we are about an hour and a half

behind schedule, I wonder if we should reduce that lunch to a half-hour and ask someone from the Auditor's office to bring in sandwiches for us.

Cal Miller: I would be in favor of that. Fifteen minutes would work too.

Paul Moss: Fine with me. We will work on that. We have a little bit of time and we'll try to keep moving along. What I would like to do is have a budget overview by the Auditor at this point in time. Is there any particular document that you want us to refer to?

Lisa Blosser: Yes, it is in the front of the budget book. It is the 2008 Allen County Budget Summary. We will review the first page of the summary and there is additional documentation that details the executive summary. It is a four-page document. The estimated 2008 total General Fund revenue is \$84,482,285. The 2008 Other Funds Budget is \$100,847,722. The total 2008 Allen County proposed budget is \$185,975,507. We have ten departments that are appealing their allocations. The appeal amount exceeding the allocations is \$645,500. I have compiled, for your review, some information from the 2007 and 2008 General Fund Budget that are allocations that have already been appropriated for job reclassification and COLA (cost of living adjustments). The total 2007 and 2008 revenues that has been set aside is \$3,932,937. Capital expenditure revenues remaining, as of August 15, 2007, are \$1,521,249. Council has set aside for technology contractual \$335,000 and you also appropriated for stormwater compliance, \$563,000. Unspecified contractual, we have \$7.5 million that has been earmarked and is still available for appropriation.

Paula Hughes: I have a question about the job reclassifications and maybe I just didn't hear correctly. For the 2007 and 2008 amounts in the proposed budget for County Council, you kept that \$932,000 and carried it forward into 2008?

Lisa Blosser: It is in the 2007 budget. The summary shows the revenue is available for appropriation.

Paula Hughes: Correct but it is not set aside in the 2008 budget. It is not a line in the 2008 budget.

Lisa Blosser: Right, only the \$3 million was set aside for 2008.

Paula Hughes: But it would not be an ongoing, annual... It is not built in the way the capital is built in, right?

Lisa Blosser: You approved to set aside a million dollars for capital expenses.

Paula Hughes: But that was built in when you presumed the Council budget and put the numbers together.

Roy Buskirk: But that would be a rollover.

Tera Klutz: That was the number you set aside at the last budget hearing for if the reclassification got done. It is just a line item...

Lisa Blosser: ...that's available.

Roy Buskirk: It would be a rollover.

Paula Hughes: But it's not already, it could be rolled over but it wouldn't be there for future years.

Tera Klutz: No, it is not one time. It is in the 100 series like every other thing is. If you would have allocated that out, it is just part of operating.

Darren Vogt: Let me rephrase what I think she is thinking. The \$932,000, we did not already set aside separately from the \$3 million.

Lisa Blosser: Yes you did.

Darren Vogt: For 2008?

Lisa Blosser: No, for 2007.

Tera Klutz: You already have \$3 million that you set aside last June. We even have some that rolled from last year, set aside. For 2007, you set aside \$932,000 in addition to that for reclassification.

Paul Moss: So, okay, the \$932,000 was just for the internal reclassification? Is that correct?

Tera Klutz: Yes.

Roy Buskirk: For 2007, which it shows on your page.

Darren Vogt: The point where I am confused is that it is a salary line and that will roll which Councilwoman Hughes is saying. For 2008, did we include \$932,000 or is it subtracted from the \$3 million?

Roy Buskirk: It is in addition too.

Darren Vogt: It is in addition to the \$3 million.

Lisa Blosser: It is what is available. It is what you have appropriated for the reclassification project this year.

Paula Hughes: What page is our budget on?

Darren Vogt: We are all saying the same thing.

Patt Kite: The capital expenditure line item for 2007 is \$521,249 and we should probably roll \$75,000 out of that because that is what we gave to the Sheriff that he is going to reimburse. Does that make sense?

Roy Buskirk: Out of capital expenditures?

Patt Kite: Did we say that we were going to transfer?

Lisa Blosser: You are just transferring to the Sheriff capital expenditure line. You already approved a transfer...

Paula Hughes: That came out of the 2007 dollars, not 2008 dollars.

Lisa Blosser: Right.

Paul Moss: Let's not jump too far ahead here. I want to stay with the internal equity issue and these numbers. Is everybody on the same page about the \$3.9 million available, correct?

Cal Miller: Yes.

Roy Buskirk: Correct.

Paul Moss: Okay, of the \$3.9 million, I think we need to talk a little about what money is available after we subtract out some things. We have, or the HR department has, essentially completed the internal equity audit. We have gone through a series of meetings with the appeals committee and Brian, you should probably come up here. There was a number of departments and I can't remember specifically how many jobs were appealed. Sixty-nine positions were appealed, they went through the committee and were given a thumbs up or a thumbs down. Some adjustments were made and there was a little meeting in the middle in terms of what the department wanted and what HR wanted and what the appeals committee wanted. So that work is essentially done. What I would prefer to do is recognize that there are two numbers out there right now. One is roughly \$1.4 million and the other number is roughly \$1.6 million. The difference between those numbers is whether we decide to redline a certain twenty positions or so.

Brian Dumford: Eighteen positions and twenty-two employees.

Paul Moss: So if we redline those positions, which means keeping their salaries where they are at...

Paula Hughes: Even though the reclassification indicates that they should be paid at a lower level...

Paul Moss: ... even though the reclassification indicates that they should be lower. It would be \$1,546,000. If we do not redline them, it would be \$1,388,000. A couple of things I want to clarify here. There are positions out there, I am talking about internal again, that need to be addressed. Is that accurate in terms of elected officials, some department heads and things of that nature? There is still a bit of an unknown out there. What I would like to do, as far as this piece that is known, is that I think everyone who has been participating in this process and is comfortable with, is agree with one of these numbers. Probably the higher number because we can always go back and adjust on down the road. I think it would be wise to factor in the \$1,546,000.

Cal Miller: I have \$1,643,000.

Roy Buskirk: These things keep moving.

Paul Moss: That is why I say roughly.

Brian Dumford: I had a discussion with Councilman Vogt yesterday afternoon and we revisited one of the appeals that several of the committee members still had an issue with. That had to do with a position in the Confinement Center. I rolled back one of those appeals. That is where we came up with a slightly lower number.

Paul Moss: The easiest way to do this, in my opinion, and if you don't agree, we will figure out another way, let's plug in the number for now. It is within the \$3.9 million anyway so we obviously have some room there to talk about the external issues and things of that nature. I am not sitting here saying that I agree with implementation. I am not saying that I disagree either. It is a number that we have kind of solidified. Leave it there and then go through department by department and get that out of the way and then talk about some of the bigger issues and some of the other items that Auditor Blosser has talked about. Is everybody comfortable with that process?

Paula Hughes: Yes.

Darren Vogt: Yep.

Roy Buskirk: It would still make a difference when the appeal raises took place. Was it the first of the year or did it take place now?

Paul Moss: What is this number based on?

Lisa Blosser: Calendar year.

Paul Moss: That has been my assumption all along. I assumed that we were talking January 1, 2008.

Darren Vogt: I would agree that it is the most logical sense. There is some discussion that when we get into the discussion phase, after the appeals, about some things that Mr. Dumford and I talked about yesterday. We may need to do some more fine tuning of some of this that may come out and be able to implement and get it all done before the September meeting when we have to finalize it.

Brian Dumford: Wouldn't that be nice?

Roy Buskirk: I think there should definitely be one more meeting with the appeals committee at the first of the week, if possible. Then the Personnel Committee could meet a couple of days after that.

Paul Moss: That would be my preference as well. Leave that number out there, meet again and make sure we are all on the same page.

Paula Hughes: Another earmark.

Paul Moss: Brian, do you have anything else you want to add?

Brian Dumford: That may come up later when we go into further discussion.

Paul Moss: Okay. If everybody is comfortable with that then can we at least get a couple of folks through here? We will start with the Surveyor.

Allan Frisinger: I am Allan Frisinger, County Surveyor. My hats off for dealing with the problems you deal with.

Cal Miller: Before Mr. Frisinger goes, I have a question relating to his request. In his appeal, he is asking for \$190,000 and some change for the 2008 storm water budget. Is there an overlap in the allocation? Council has the \$500,000 for storm water compliance earmarked. If this is part of that, are we overlapping by \$190,000?

Allan Frisinger: I believe there is an overlap. The \$500,000, or whatever was earmarked, is part of inside my one budget. I understood that I should submit this as a line item expenditure for part of the \$500,000.

Cal Miller: So it is part of the \$500,000.

Jackie Scheuman: You have that \$563,000 currently in your budget.

Darren Vogt: It is in 2007 but not in 2008. It would be an addition in his budget for 2008. We did not set anything aside in 2008 for that.

Paula Hughes: Correct.

Cal Miller: It is a rollover issue.

Lisa Blosser: Yes.

Paul Moss: Do we have the appeals letters?

Paula Hughes: It is in the front pocket of your notebook.

Paul Moss: Oh, is it?

Darren Vogt: The only thing you have to go to is the original budget.

Roy Buskirk: Okay. The Surveyor is not in this.

Darren Vogt: Right, so then go into the budget book.

Paul Moss: So how about if you summarize what your appeal is.

Allan Frisinger: Basically the crux of it is that I needed to submit a separate storm water line item budget that is basically part of my budget. This is so we have a clear look at how the money is going to be spent for the water quality applications. Is that what you are looking for? I wanted to make sure that it is what I did so that when I submitted that, it gave you an idea of where we were going.

Jackie Scheuman: Page 14 details the \$190,000.

Cal Miller: Over the last few years, we knew you had the storm water act compliance issues and Council had been working with you to get a better sense of what the particular expenditures and overall costs were going to be. We have earmarked in two years \$560,000. The budget that you are asking us to look at is a budget for \$190,000 and change of the \$500,000 that you want to spend.

Allan Frisinger: Yes. Part of the \$500,000 was for employees also.

Jackie Scheuman: You gave him that already.

Cal Miller: Alright. This is the detail that Council has been talking about for a while that would justify the release of the funds out of the earmark and into the budget.

Allan Frisinger: Yes. I know we have talked about this for several years. Today, I feel very confident that we are going to move ahead with our water quality compliance so that we are all green friendly. With our compliance efforts, IDEM (Indiana Department of Environmental Management) is very concerned that we adopt an ordinance that is for water quality and water quantity. I believe we are at

that point. I am meeting with the Commissioners tomorrow morning to go back over this ordinance that will hopefully be adopted and put into enforcement across the county. Inside of that ordinance is not only water quality but also water quantity measures. In addition to that, we have a new fee schedule that will come into play to pay for a lot of the issues that are set aside under the Clean Water Act and our ordinance. Those would be review fees, inspection fees. Part of the money that I am asking for is for education. The education is for contractors, engineers, architects, builders and homeowners. That is a requirement of the six minimum control measures that we do that. For us to go through and hold seminars and have educational opportunities and advertisements, it all costs money. I hope to recoup that money through the ordinance that will have fees associated with the operations that we do. Every action that comes through my office will have a fee associated with it. I don't know if it will cover the total cost of the program but in years like this one, where construction and development is down, probably not. In good years, I am sure it will spike and go over that. That is the short and long of how I see this all coming together. We will have a program that is operational, countywide, and hope to be able to recoup the costs that come out of the General Fund and put back into the General Fund.

Paul Moss: Councilman Vogt?

Darren Vogt: The line item in the budget is just put under NPDES Storm Water. Do we have what the detail of that is?

Roy Buskirk: It is on page 14.

Darren Vogt: I know but where is the breakdown of where it is?

Roy Buskirk: It is the bottom half of the page.

Darren Vogt: Thank you Council. I appreciate the information. That is what I was asking for.

Paula Hughes: I would take it further and ask if you have information as to why you need \$50,000 in consulting services and why \$49,000 in contractual?

Allan Frisinger: Every one of those, when we start to look at the actual items that are set aside for education, there are certain training applications that need to be put forward. I would rather have a consulting service do that. A consulting engineer can put together those applications that are in compliance with the NPDES program. That is a key arena when you start to talk about training for contractors, developers and builders. Our inspectors that we have not only through my department but also through the Board of Health and the Building Department should be brought in on this so that we are looking for compliance measures. Each and every one of those is a specific type of training. I would feel very comfortable having a consultant put that forward. Now, this isn't just a one year thing. It is done in subsequent years because

you have new builders and new developers and you want to make sure that the educational process is always moving along. We have training for our review staff who will be sitting and looking at plans as they come in. My office will be taking over all of the review of what is called Rule 5 or erosion control plans. That is a key element of the full program. When a development comes in, they will initially submit a Rule 5 erosion control plan. Inside of the erosion control plan will be a site grading and development plan that shows how they are going to move earth and how they are going to drain the water off the site. It won't be so explicit to show piping systems or exact dimensions of ponds at that level but it will show how they are going to redirect the water to affect adjoining properties. That is a big move for the county because it doesn't only include large development sites but also sites that are not part of a larger development. Even ones that are part of a larger development will be subject to the criteria that is set out for that development. When you make a plan and say that you are doing fifty lots and here is my plan for development, that plan will also include individual lot performance activities. How they will move onto that site, do their job and then go on. If you think about how a home gets built, when a basement is excavated, you have a lot of earth moving activity. Usually a concrete truck likes to have direct access to deposition of the concrete into the forms. They will travel around that site and if it is a muddy day, they will get a lot of earth on their wheels. They will move off that site, go down the road and you will see a lot of earth on the street. That is an unacceptable method of operation. That is something that our inspection will look to control so that we don't have sediments passing into the storm water system. That is kind of a key issue of how we do business.

Paul Moss: If I can just interrupt, to keep this moving along. One of the things I am hoping we can do, when we had the initial budget meetings, we had some good discussions about why we denied them. There were fairly specific reasons. Those that have been the most vociferous about denying these would help refresh all of our memories about what the key issues were. If I recall correctly, one of the key issues was about needing a more specific plan with regards to this whole project.

Paula Hughes: And detail the specifics on the expenditures. I will say that, for me, I am supportive of the project in general and that Council has, for two years in a row, we have earmarked the \$500,000 to show that we are interested in supporting this. What we would like though is that for schools and seminars, you said you need \$37,280. Is that fifty people at \$745.60 a piece? How did you get to the numbers that you plugged in?

Allan Frisinger: There are specific schools and seminars that I think are going to be necessary to attend. There are seminars that are put on by EPA and state agencies. I will say that \$37,000 might be a little high. I would say that we could bring that down. It is for education of staff. A lot of this has to do with testing equipment that we would like to buy. There is a need to buy some additional GPS equipment that is for when we do our mapping procedures for all of the structures inside Allen County. To integrate that detail with our GIS system we would use hand-held units that have

the ability to log latitude and longitude but also have the ability to insert the data set on what it is, a timeline and a picture. Each one of those goes into the database.

Cal Miller: Do you have the detail in front of you?

Paula Hughes: I would love to be able to fund this.

Allan Frisinger: Yes I do. I will pass these out.

Paul Moss: In order, because we can beat this thing to death today and I really do not want to do that. In order for us to digest this, how do we get beyond this point? This is a lot of information that is being passed out here.

Roy Buskirk: There is one thing that I am really concerned about. You started talking about testing equipment and soil and water conservation district does a lot of water testing. You work with them on the Clean Water Act.

Allan Frisinger: That is what this is about. Under the Clean Water Act, the mandate for this work falls back to the drainage board and the County Surveyor. Our look is that we have to develop and have a program that takes all of the information relative to water quality and pass it back to IDEM and the EPA.

Roy Buskirk: I guess the one thing is that this Council does not like to have duplication and I wonder if some of the information that soil and water is pulling, that you would be able to use some of that information to supply to the State. It is a shame that we haven't had the opportunity to look through the information that you are providing to see if some of that is in there. That is one thing that this Council has tried to eliminate is duplication within departments. I know that the Board of Health pulls water samples throughout the county. There could maybe be a joint effort on some of the different departments instead of having different vehicles running up and down county roads. You might be able to pull one sample and get all of the different tests that you need.

Allan Frisinger: I understand that. I would support that but there is also a need for my office to look at some level of illicit discharges. I am not sure that the SWCB does that work. I can tell you that we do have a joint agreement with SWCB for an MS4 Educator who represents Allen County, the City of New Haven and the City of Fort Wayne and has been a very good opportunity for a joint partnership between those entities. We also have a joint technical standards with those entities. It is not that we aren't working together. I know that the mandate I have to comply with has to make sure that we have the technical capabilities to comply with that.

Paul Moss: Who is the liaison with the Surveyor's Office?

Tera Klutz: Councilman Buskirk.

Paul Moss: Again, just trying to move this forward, I am not sensing a whole lot of warm and fuzzy feelings about this appeal right now. I am trying to give you an opportunity here. Are you advocating on behalf of this now or do we have an option to be able to review this and come back to it at a later date?

Paula Hughes: I would suggest another earmark. I would volunteer to sit down with Councilman Buskirk and Surveyor Frisinger to further flesh out and tie to the budget lines, this information. The least expensive items have the level of detail I am looking for. I would like to see that level of detail for the more expensive items and I will help do it.

Cal Miller: Can you tell us what the appropriate amount to reduce the seminar line item by so that we can at least get that piece of business done with your input?

Allan Frisinger: Somewhere...

Roy Buskirk: That is one thing I was concerned about is that, as a county, we are spending \$37,000 to educate your staff but still turn around and spend \$99,000 in contractual.

Paul Moss: I would encourage you to get together with Councilman Buskirk and Councilwoman Hughes and go through the details with them and take another shot at it.

Darren Vogt: Just so that I understand it because I am not going to be involved in those conversations, are these numbers subsequent to your budget? I am trying to make these numbers match the others.

Allan Frisinger: Some of those are not added in there. What we tried to do was pick out what was most important right now and eliminate some of the other stuff. We are at the cusp of adopting an ordinance that will, I hope, will put a cushion on having to take money out of the General Fund.

Darren Vogt: That leads to my next point. Where is the revenue projection? In reality, there should be an offset of revenue coming in on the other side so that the Auditor can bump up projected revenues. Obviously this hasn't passed the Commissioners yet and they haven't even seen it yet so we don't know what tweaks and changes may happen.

Roy Buskirk: The Commissioners have seen the ordinance and have been working on it for a year and a half.

Darren Vogt: They have not seen the latest ordinance.

Allan Frisinger: They are pretty up on it. We have made some minor changes but they have seen most of it.

Darren Vogt: I just asked Commissioner Peters and they haven't seen it yet. Assuming they have seen it in stages but they haven't seen the latest version of it.

Allan Frisinger: The latest, maybe not.

Paul Moss: There are several loose ends that need to be sewn up, in my opinion.

Cal Miller: Get that sewn up and the money allocated and we can move ahead with the project.

Jackie Sheuman: You can always encumber part of the \$563,000 for this year.

Cal Miller: The money will be there as soon as the details get...

Allan Frisinger: For my clarification, when we go back through this, the allocation for the program, still has to be voted on by the Council, correct?

Roy Buskirk: Correct.

Allan Frisinger: Okay. I know that but I mean for next year, prior to final budget hearings.

Cal Miller: Right and we will take care of that. Let's just get the details taken care of.

Allan Frisinger: I think we are going to have a really good program.

Darren Vogt: And to make this even clearer, to Jackie's point, we have money in our 2007 budget that we could roll over to get this off the table for even this year's budget. The money is there and we can encumber it once we know what that is at a later time. It doesn't even have to deal with this budget.

Paula Hughes: I will express a concern with that because some of this is start-up and some is annual ongoing. That is the same point when I asked about the reclassification dollars.

Darren Vogt: Right.

Paul Moss: Cedar Creek.

Paula Hughes: Page 31.

Paul Moss: Would somebody like to volunteer based on their recollection what the primary issue was?

Darren Vogt: Is there a letter?

Roy Buskirk: Did she submit a letter?

Darren Vogt: Did you submit a letter Lori?

Lori Hammons: No, I did not.

Paula Hughes: We gave an increase but you are requesting more than the increase amount.

Jackie Scheuman: You approved the full time person but you didn't give her enough dollars to fully fund the new employee.

Lori Hammons: It was \$5,000 short to fund the Real Estate Appraisal Deputy that was approved the last time we met. I think when we pulled the part-time fund to put towards the pay for the full-time Real Estate Deputy, it came up \$5,700 short.

Paul Moss: That sounds like something the State or Federal government would do.

Lori Hammons: In 2007, I received \$10,000 part-time from the Reassessment budget and I think when the funds were being discussed, that money was used to fund the 2008 full-time employee but there was no \$10,000 for 2008 out of the Reassessment fund. I am not really asking for anything additional, I think it was a mathematical error.

Maye Johnson: Since it is a technicality, can we just approve it?

Paul Moss: Essentially, yes.

Roy Buskirk: I apologize for taking up your morning.

Lori Hammons: \$5,727 is the actual figure.

Darren Vogt: Council, we have made it a habit in the past of hearing the appeal and making decisions at the end.

Cal Miller: Thanks for the explanation. It sounds like you are right.

Lori Hammons: Thank you.

Dave Fuller: Good morning, Dave Fuller, Allen County Building Department.

Lisa Blosser: Page 32.

Roy Buskirk: We do have a letter on him.

Paul Moss: You are here for the vehicles, wasn't it?

Darren Vogt: I think I was the one that brought this up. Mr. Fuller, this discussion doesn't really involve you. It is a philosophical discussion that I think Council needs to have and I would have preferred to have it without him there because it doesn't specifically relate to him. The question I had and continue to have is our vehicle replacement policy, what are we doing with it? You will see that Mr. Pray, along with Bruce Little's help, came up a short version of a form that talks about what is going to happen to the car and to decide when we replace a vehicle. The process in the Building Department has been that when they reach 100,000 miles, we order new no matter if they have given us trouble or not. My personal philosophy is that we hold cars until they become a repair issue and then we go and do them and not cyclically replace them just for replacing them. What that means to us then is that we have to set money aside so that when he does need a new car, then we can give him the money. That said, we also need to look at if there is a volume discount in buying them in bulk up front. If we buy five at a time, are we going to get a better price? Does that better price outweigh the cost of keeping the cars for a longer time? That is where the discussion should be around and what we feel the issue should be when it comes to replacing cars. His cars will go to auction because we really don't have a use for the high mileage cars. At this point, I think he has presented some information that there is some repair history to those albeit some of it is maintenance and some are repairs.

Cal Miller: I had an opportunity to meet with Mr. Fuller and as the liaison, before Mr. Fuller's tenure, they were rotating the cars out at 60,000 miles and during his tenure they have been rotated out at 100,000 miles. While the Council tries to get their minds wrapped around what policy they would like to see, Mr. Fuller has been making decisions, as the Building Commissioner, based on twenty-five years of experience of managing fleet vehicles. And in particular, with respect to cars driven by the Building Department and the type of usage they get on fairly rough terrain, it has been his experience that is a good threshold to begin asking for replacement cars for the upcoming year. Separating out the appeal, it makes a very good point. At the same time, we need to address your overarching policy decision but I don't know if we can get to that in this budget session. I think that Mr. Fuller, with respect to his needs, has made a valid appeal based on his own personal experience. Secondly, I would like to address with the Council the policy but not at this budget session.

Darren Vogt: When is the appropriate point? If we are going to set aside funds in the capital line item and would include vehicles on a regular basis... When you look at vehicle 400 and it has zero breakdowns but has 108,000 miles on it. It has had new brakes but at 108,000 miles, brakes are routine maintenance. Struts are routine maintenance especially if they are driving in areas that are unimproved. There must be something with the transmission pans.

Dave Fuller: The Cavaliers are very low to the ground and we routinely replace a lot of transmission pans.

Darren Vogt: So it is not a maintenance issue but a fact that we have to build into the repair. This particular car hasn't given us any grief but I agree that at some point in the future, it is going to need to be replaced. Does it make sense that when it needs to be replaced, then we do it on a big picture for everyone?

Cal Miller: I agree but what we are overlooking is that the Building Commissioner, with managing fleet cars and what will happen in the future. Also, the problems that arise for the department in providing the service that they do, I think there should be a proactive component that pushes the life as long as we can.

Darren Vogt: This particular vehicle isn't causing us a problem at this time.

Cal Miller: How would you respond to this, Mr. Fuller?

Dave Fuller: That particular vehicle was not originally slated for replacement. I was going to use it as a spare because of the very reason that we have not had problems with it. In talking to Mr. Pray, his suggestion is that when you look at keeping cars that we have put significant money into you keep the cars because we have already put the money into them. Because of the money that we put into cars that have high mileage, let's get rid of them before we have to put money into them. Car 404 is an example too that I had planned on keeping because it only has 84,000 miles on it. It hasn't broken down on the road but every time we have a service done on it, there are metal shavings in the transmission and so we have an internal problem somewhere. That one also loses antifreeze but not externally. We may have engine or transmission problems and let's get rid of it before we have to put a lot of money into it. That is part of the decision making that I have gone through with the Service Center. Our experience has been that with the less expensive cars, for the last fifteen years we have gotten compacts, they are low to the ground, are four cylinder engines and not heavy duty transmissions. They are going to wear out a whole lot quicker. That is why we switched to the Malibu with the last round. We feel that with the six cylinders and heavy duty transmission, we are going to get better service out of these. We may be able to go 120,000 or 150,000.

Roy Buskirk: I think we have to depend a little on what Larry Pray says as far as moving it. I think that one thing this does answer, in the concern that you have, is one department turning a vehicle in and using it by another department. All of these vehicles are being sold. There is a difference between the sheet that was provided to us and the faxed ones that were given to us. I think we just have to depend upon Mr. Pray's recommendations.

Paul Moss: If I recall correctly from the original discussion, we wanted to have a little bit of due diligence on this in general. I am comfortable with the due diligence and understand your argument. I think we just need to get off the pot here and figure out if we are in agreement. We have Mr. Pray's analysis of the vehicles in front of you. Are we going to get to the point that we are going to say that we keep this vehicle or how do we move this forward?

Darren Vogt: My preference is to come up with some sort of policy where we say that every year when they come before us for budget and we give them a certain amount without knowing if they are going to need the money or not. This car could last another ten or fifteen thousand miles. That is really the hardest part to decide. How do we do it? Do we come down when they get to a breakdown or just give them cars every year? Every department is a little different but if it is Council's pleasure to just move forward and allocate the money every year like we have been doing it then I am one voice in seven.

Paul Moss: We are not allocating it the way we were. We have gotten some due diligence...

Darren Vogt: But we haven't shown that these cars need to be replaced other than the fact that it is a mileage issue.

Roy Buskirk: No, no, no, it's not. If you read, what was faxed by Larry Pray...

Darren Vogt: Go ahead and read that, Councilman Buskirk.

Roy Buskirk: It is not a mileage issue. The transmission has metal in it and the coolant is in the engine.

Darren Vogt: That is one vehicle. The rest have all exceeded mileage and maintenance. Those may be legitimate requests, but back to the overall point, when do we say is there a mileage limit or does there need to be breakdown history?

Paul Moss: That is a valid point. I think what we need to do, in trying to move this forward, is that we are not going to make the decision right here. We are all in agreement on that, correct? As we figure out how many of these we are going to approve or not, we factor that in and you suggest a number that needs to go through and we will see if it flies.

Roy Buskirk: And one thing on here, Mr. Fuller was asking to replace five vehicles and Larry Pray is saying six. That is something that we are going to have to make a decision on.

Paul Moss: Councilman Miller?

Cal Miller: This is already not business as usual. The pre-budget allocation meeting was a concern about continuity with respect to how we decided whether to grant requests for replacement of vehicles. We have drawn in and invited continuity with respect to Larry Pray's involvement and he is the one person who touches these cars more intimately than anyone else with respect to the repairs. The continuity supports Mr. Fuller's request, although for different cars and that is saying something. Here is the guy we are relying on. We wanted his opinion and now Council needs to decide

whether that is sufficient continuity to grant requests or not. I agree that we should look for a way that we can fairly evaluate each one of these requests with someone's experience and expertise that has a working familiarity with the car. I feel that we have made a step forward though we could still go a little further but perhaps not in this budget session.

Dave Fuller: If I may answer one of your other questions. We got Malibus in 2007 and when we went to the State list and bided out to local dealers, DeHaven Chevrolet came in under the State list and the City list because they were able to give us some incentives. We got \$20,110 cars for \$13,600.

Darren Vogt: To me, the sticker is not relevant.

Dave Fuller: The lowest City bid was over \$14,000.

Darren Vogt: So the fair comparison...

Dave Fuller: The point is that they gave us incentives that would have gone to the dealership.

Darren Vogt: Because they get volume on selling and all of that. That was another point that I said needs to be analyzed. I appreciate that.

Paul Moss: Are we comfortable with where we are in the discussion and we can make a decision on going forward?

Paula Hughes: I will say that I am impressed with the form that was created. This is exactly what we were asking for and for submission from the County Services Department. I think that the bar we have set has been met. We should move forward from here.

Paul Moss: Okay. Thank you for your time. We are at County Extension. I think it would be wise to have Mr. Talbot come up and then we can take a break.

Paula Hughes: Actually, Voter Registration has to be somewhere this afternoon. We should include that before lunch as well.

Mike Talbott: For the record, I am Mike Talbot, County Extension Director. This is Jim Williams, President of our County Extension Board. What I tried to give to you is a simplified version of the budget appeal that I am looking at and feel that we need. Essentially, as of the June 8th budget allotment, you had allotted us \$332,813 which included the \$1,915 for step increases and PERF adjustments. There are two line items within the budget that we need to make sure that we adequately fund all line items that we can foresee. One is the educator contractual with Purdue and the County for an increase of \$3,895 and also an increase of the building maintenance agreement with IPFW and the County of \$1,580. Those are two line items that I can predict for you right now that I need additional dollars for. Within the initial

allotment of \$332,813, to comply with your request that we make reductions within budget items, the general supplies were cut \$1,109, travel reimbursement, which is mileage on personal vehicles, was reduced by \$100. Schools and seminars, we eliminated \$500 there. We reduced the postage allotment by \$1,997. We looked at and adjusted our utility gas costs and reduced that by \$1,269. The maintenance agreement on office equipment was reduced by \$500. That gave me the \$5,475 that I needed to meet the obligation of the two line items. What I am appealing and asking for reinstatement, because I and the board are feeling that we need additional dollars back to cover some of those costs. I am asking for an increase of part-time help of 2% projecting and hoping that the other county employees will be getting a roughly 2% increase and putting back in the full amount of the general supplies. Travel reimbursement, putting that at \$1,300, so it accounts for the same mileage that we have been driving but the rate has been increased from 40.5 cents to 45 cents a mile. The \$1,300 is really for that rate increase. Schools and seminars, to balance things out here, we are only raising to \$141. Postage, still cutting \$1,000 but putting \$997 back in.

Roy Buskirk: On your postage, do you work through the County's program?

Mike Talbott: We do not. We explored that when we did the postage meter. We have a postage meter that we lease due to location. Because we are not located downtown, it would not be a cost savings for us.

Roy Buskirk: You have a substantial volume of mailing. Right?

Mike Talbott: Yes we do. A lot of it is in bulk rate in terms of newsletters that get taken down to the post office. The actual number of 41 cent letters is about half and the other half is the bulk rate. What the board has actually asked from us is that we explore and reduce the number of newsletters that we print and instead we go to online newsletters. A number of our clientele do not have computer compatibility. A third of the population that we serve still needs the print media. It becomes a balancing act because the bulk rate level is 200. If you are below 200, you have to pay 41 cents. We explored that very seriously with one of our newsletters but we were left with about 150 individuals that did not have computers.

Roy Buskirk: If it is presorted, it will be less than 41 cents.

Mike Talbott: Yes it would but still it would be more than what we were currently sending out.

Roy Buskirk: Also, and I am sure you are probably aware of it, several of our departments are not located in the City County Building. Anthony Wayne Services will pick up. It doesn't have to be brought in-house.

Mike Talbott: I was not aware of that. We are still looking at cutting a thousand dollars even with the appealed budget.

Paul Moss: To summarize, essentially we denied the \$5,400. You are coming back and have reduced that roughly \$1,500. That is what we need to consider. There have been some dollars shifted here and there within those items.

Darren Vogt: Let me make one point that Mr. Talbott, I, several IPFW members and Commissioner Peters met one of the things that I brought up earlier. The maintenance agreement or contract with IPFW is what Commissioner Peters and I felt was slanted completely against the County in the way that it is calculated. No offense to IPFW because they were doing it in a way that made sense.

Mike Talbott: And they have been doing it that way for forty years.

Darren Vogt: They were willing to discuss and negotiate with us. I will let Commissioner Peters talk about our conversation.

Nelson Peters: Let me just say at the outset that I would ask that you leave that part of the budget alone and grant the request for the increase until such time as we had to go back and renegotiate with IPFW. It is important that we try to renegotiate because I think there are some areas in which part of that contract could be reduced. Currently they are charging just a little over five dollars a square foot which is about \$28,000 a year. I checked with the Dan Freck and he led me to believe that if their department went out to maintain those grounds, they could do the custodial stuff such as clearing snow and lawn mowing, for a shade over \$9,000. That doesn't tell the whole picture though. There is a roof at a cost of about \$25,000 that will need to be replaced. There is a boiler at \$1,000 and some HVAC stuff around \$1,000. What I would suggest is until we can go back and negotiate, allow them their request and give us a chance to renegotiate. Part of that negotiation would allow us to set up sort of an insurance fund that would allow us to take some of the excess dollars that we think we are paying right now and put it into a fund for the roof repairs, HVAC and that type of thing. We do believe there would be significant savings. For instance, the roof would pay for itself, under that type of arrangement, in about two and a half years. That appears to be the biggest possible problem that we would face out there. It is our intent to go back to IPFW to suggest to them that perhaps we could take over the maintenance and custodial portion of that building. Get them to agree to our terms and take part of the savings back to the General Fund and use the other part of the savings to put into a fund to insure some of the maintenance needs that they may have. They mentioned that they would get back to us and were going to re-evaluate some numbers themselves. We haven't heard from them at this particular point. Unfortunately, the timing of the decision that you have to make and what we want to do in terms of negotiations don't particularly coincide. That is why I ask to leave that budget as this time and allow us to come back and update you on the progress that we are making with IPFW and allow us to split any gains between the General Fund and another fund for the maintenance.

Darren Vogt: Does it put us in a worse position for proving the negotiations if we approve the money or a more favorable negotiating position...

Nelson Peters: I think by approving the dollars, it doesn't indicate that we need the dollars elsewhere. I think IPFW is fully aware of our financial situation and recognizes that if we had the opportunity to apply the dollars to police cars or other things that we have a real need for, then they might be willing to back off. This is a situation that IPFW controls and we don't. We are sort of at their mercy on how we proceed with the Extension budget.

Roy Buskirk: You pay your own gas?

Mike Talbott: Yes. In addition to the \$29,000 in building maintenance which covers general cleaning and repair on the building, it also includes water, computer connectivity and they maintain that system for us.

Nelson Peters: One of the things that we would be fearful of in moving is that if we re-negotiate, the water price will go up. I think it is worth at least examining and see if we can bring them to the table.

Paul Moss: Okay. Does everybody have the information that they need? Thank you very much. We are going to have the Election Board come up now.

Cal Miller: Before Ms. Finlayson starts, in response to President Moss' request to summarize why we are here today, going back the pre-allocation budget, the request of the Election Board was for a new position. The new position is titled Assistant to the Director for Election Technology. There had not been a lot of information about that frames why she is here today.

Pam Finlayson: I know you have a long agenda so I am going to go into sound-bite mode. Basically, we have not added any full-time staff to the Election Board since 1992. We have been able to absorb most of the increases in volume and complexities through automation. Over the years, it has worked beautifully for us. The main question then is what has changed? In 2002, Congress passed the Help America Vote Act and with the passage of that bill, the Federal and State governments now dictate how local infrastructure is configured for election administration. So what was previously an integrated system has been chopped up. We now have a Voter Registration system that stands alone. We have a voting system that stands alone. We have a county network that doesn't talk to either one of them. These are all separate computer systems. It requires a lot more hardware and a lot more time and expertise of the Election Board staff as we pull data out of each of these systems and then outside of those systems. Typically we try to use the county system to integrate the data. Historically, in the past, the Director of Elections' job description took care of all of the hands-on and technical needs of the office in addition to overseeing the general election administration. That has worked very well in the past but finally in 2006, with the full implementation of HAVA, I ended up working 47 extra days

during that year. I came to realize, with twenty years experience behind me, I couldn't accomplish the duties required in the job description for that position any longer. I have decided that I am going to retire at the end of 2008. I have committed to the board that I will provide them my services through the Presidential election. They are going to be looking for a new director. My goal was to put in place a structure that would enable the Election Board to continue to move forward and reach some goals that have been set. I know this Council is very interested in regional voting and the Election Board continues to want to be able to provide services to the voters in Allen County.

Cal Miller: How does the regional board voting initiative complicate matters in respect to the three competing systems that are running and the need for the position that you are talking about?

Pam Finlayson: It is going to involve even more expertise and higher level of expertise. You are injecting more hardware. With regional voting, you have to introduce what would be a wide area network across the county. That will involve even more time to put that in place.

Cal Miller: If you weren't retiring and with all of the years of experience that you have, would you be able to pull all of this off?

Pam Finlayson: No.

Cal Miller: So what advantages do you see in bringing this assistant with the technology background on a year prior to your retirement?

Pam Finlayson: The main reason I want to inject this person into the 2008 process is that it would give me two elections to train this person before my departure. I don't think you want a new director and a new assistant director to come in at the same time.

Cal Miller: Is there sufficient work to justify it in 2008?

Pam Finlayson: Oh yes. I worked 47 days extra.

Cal Miller: Where do you get that, was it weekends?

Paula Hughes: That is about six hours a week.

Pam Finlayson: Basically what you are doing is pull in the hours that you have to do sitting down. You have to remember that it is not spread out over the year. That would be wonderful to only work six extra hours a week. But the time is concentrated into two periods in a year.

Roy Buskirk: Something else that you said kind of threw me off. Two elections and I look at 2008 as one election. But you are correct. You have the primary and the fall election.

Paul Moss: Councilwoman Hughes?

Paula Hughes: I apologize. You called and I did not have time to come and sit down with you. I can appreciate the need with the increasing technology requirements that perhaps this person needs. I just don't understand why it needs to be full-time.

Pam Finlayson: Because of the level of expertise that is required. I don't just use systems through the interface. You have to know how to go behind the system and be familiar with single server databases. You need to know how to extract data and convert it into the various formats. You are not working within the structure of the systems. Voter Registration will tell you that the systems don't always provide everything you need. You need to know how to go behind that system and get into the source data and pull out what you need. You have to be able to problem solve.

Paula Hughes: I can appreciate that but it still doesn't justify, to me, why full-time versus part-time. I think the rationale would justify why not a temporary person.

Pam Finlayson: No. You are presuming that nothing is happening during the summer.

Paula Hughes: No. What I am saying is that your explanation justifies not a temporary person. If you will, let me finish, please. I think a consistent presence of a person part-time throughout the year or perhaps a job share person. We have added several people to technology. I agree that 47 extra days a year seems like quite a bit but it is not a full-time person. I think there are people available that understand technology that might be willing to work part-time.

Pam Finlayson: I may have not done this position justice in my description to you today. It goes beyond just the technology. That is the reason that the word election is put in front of technology. This person is going to have to be able to read Indiana Code in order to build ballots and program machines. They are going to have to be briefed sufficiently in Code so that during a recount, they would be the key person giving testimony and being involved in recounts.

Paul Moss: Are you saying that a part-time person can't have that level of expertise?

Pam Finlayson: That is what I am saying.

Paula Hughes: That is my hesitation as well.

Paul Moss: That is where I am having trouble too. I can think of some in our organization that have high levels of expertise and prefer to work part-time.

Pam Finlayson: I guess that will be a decision that Council will make. I will say that I am concerned in going that route especially with a new director coming in.

Paul Moss: But it is not the hours that you are concerned about but the level of expertise.

Pam Finlayson: I guess it came to a head for me when I realized that with twenty years of experience, I didn't have a leg up. All of a sudden, this job was way beyond me. It can't be done by one person anymore.

Paul Moss: Right.

Pam Finlayson: Whether it can be done by part-time people, I don't know.

Paul Moss: We may not find somebody who will fit right in there at full-time. You have tremendous experience. It is hard to find that out there. I understand where you are going.

Cal Miller: I want to flesh out a little more and I do understand what you are saying, Councilwoman Hughes. You have some historical data to show this ever increasing amount of work for the Director. How is the goal of regional voting for Allen County going to be hampered by someone who is not in a full-time job?

Pam Finlayson: I am just having trouble trying to visualize a part-time person having the hours required to research code and understand all of the legal requirements. There will be many legal requirements tied to regional voting by the time the Legislature gets done with it. I think we are visualizing a part-time person coming in and doing a technical job.

Paul Moss: I am not visualizing that at all. I am visualizing somebody with quite a few areas of responsibility. How many hours are needed?

Cal Miller: To round out the discussion, can you point to any anecdotal examples of what could potentially happen to us if we don't staff correctly from a technology standpoint.

Pam Finlayson: You will have a lot of expensive equipment that is not utilized correctly. I am a little concerned that the county could find themselves liable.

Cal Miller: What is it about the elections, casting the votes and counting the votes, that is tied into this position that you are talking about?

Pam Finlayson: They will have to be very well versed in election law as it relates to ballot building, how canvassing takes place and would oversee the programming of the machines. Prior to each election is the testing of the machines. There are stipulations as to how you test. Those requirements are growing. The involvement of

Federal and State government is growing. They are coming up with more regulations.

Cal Miller: Even if you stayed as the Director and you got this person, do you think the County could get their bang for the buck with respect to the way the Election Board conducts its business and readies itself for elections?

Pam Finlayson: Yes, there are some very crucial things that I should be doing now in relation to disaster planning and things that a Director should be doing and I am not doing. There are not enough hours in the day to do it. That concerns me. The County is not getting what they should have now in order for the elections to be secure. If you get challenged on a State level, auditors could come in and you should be able to sit back and feel relaxed about it. You shouldn't be in a position where you are not sure what they are going to find. You should know what they are going to find. Your internal audits should be so solid that they can walk in and you are totally relaxed.

Paul Moss: Councilman Vogt?

Darren Vogt: I am looking at the essential job functions that you provided to us and according to this, you are saying that they are technical in orientation and need but yet most of the duties are administrative. So I am trying to follow how those connect. As I read through all of this stuff, you have hit on ballot design and production, but that is one line that doesn't equate to the technical side.

Pam Finlayson: It is very technical in an administrative way. You are also doing the hands-on work. This person would be overseeing others such as the canvassing board and the mechanics. They would be the resource person for the Director. They would have to be coming before you. Right now, you have the full package here but if you ask me a technical question, I provide the answer. It is reaching a level of complexity where one person can't fill both roles. The question for you is do you want an assistant to the Director being a part-time person? Typically you don't get part-time people appearing before you.

Paul Moss: Can we convince you to not retire?

Pam Finlayson: No. It is time for me. I am just having a lot of trouble visualizing a part-time person.

Paul Moss: You could start off with that and adjust it on down the road.

Paula Hughes: If you can't find a person that would fill a part-time position then you could come back and ask to advertise it at full-time. I do not share your disdain for part-time people. I think there are many competent part-time who look for more flexibility in their schedules and who are very accomplished.

Cal Miller: That is an unfair characterization because she never said she had disdain for part-time people.

Pam Finlayson: For years, we have been using part-time people. They are our mainstay. You wouldn't have elections without all of these part-time people.

Paula Hughes: Maybe you misunderstand what I mean by part-time. I mean year-round and working every week of the year but just not a full 37.5 hours a week. I am not implying that a temporary person that comes in just at election time.

Pam Finlayson: I have two elections to try and train a person. Then I am done.

Paul Moss: Right. You have made your point well. I think that at this is point, we are going to have go through these other department issues and this one and make a decision on them.

Roy Buskirk: It also brings up the fact that Voter Registration and Election Board should possibly be one department.

Pam Finlayson: But that is because of legislation.

Roy Buskirk: I understand that. But it is just another reason for the possibility for legislation to be changed.

Pam Finlayson: I appreciate your concerns and if I came on a little strong there it is because of my concerns.

Darren Vogt: That is a lot of time and your career and you want to make sure it goes right. That is understandable.

Paul Moss: Okay. I believe we are going to take...

Paula Hughes: It was Voter Registration that needed to come before lunchtime.

Paul Moss: All right then. Have them come forward.

Cal Miller: While they are getting seated, Voter Registration is coming before us because we didn't know what they meant by technical support. We didn't know if the support could be borrowed from somewhere else in the County and under Ed Steenman's direction.

Deb Marrone: Do you want me to just explain technical support?

Cal Miller: Yes.

Deb Marrone: Okay.

Roy Buskirk: We won't vote you up or down at this time. You just plead your case and we will decide that later.

Barry Schust: We have Technical Support and Extra Deputy Hire as the two part-time personnel groups. The Extra Deputy Hire is just like Councilwoman Hughes just stated. It is someone consistently in the office to help out. Technical Support, on the other hand, is somebody that might possess some technical skills and can come in at very short notice to help us out. It is short term. Obviously we cannot gauge our work flow and so we try to develop a pool of personnel that can help us out in that short term.

Cal Miller: When you say technical, are these technology people or just people that know Voter Registration and can come in and help?

Barry Schust: They know Voter Registration.

Cal Miller: So it is not Information Technology.

Barry Schust: Correct.

Cal Miller: The budget that you are asking for is for the Presidential election. Is this an increase over the last Presidential election?

Barry Schust: It is actually a decrease of \$251 from 2004.

Cal Miller: So the increase you are asking for in 2008 is just an increase because it is a Presidential election.

Barry Schust: Yes.

Darren Vogt: So it is really just to gear up for the Presidential election.

Barry Schust: Yes, there will be increased workload over the next year.

Paul Moss: Okay. We are going to break for lunch. It will be fifteen to twenty minutes, tops.

Break for lunch.

Paul Moss: Thanks for that brief break. We are now ready for County Services. Mr. Little has joined us with Commissioner Peters as backup. Please introduce yourself for the record.

Bruce Little: I am Bruce Little, the Director of Purchasing for Allen County.

Cal Miller: If I may, as the liaison, orient Council as to why we are here. During the pre-allocation meetings, there was a reference to the copy machine and copy study that Council commissioned and those results as it relates to the need for a fully staffed Print Shop. As a result, the allocation requested was decreased reflective of what we thought the view was at that time. We have an appeal from Mr. Little as to why he believes that the study does not have direct applicability to the print shop.

Paul Moss: We decrease one FTE (full-time employee). Is that what we did?

Tera Klutz: Two.

Paul Moss: Two, is that what we did? Okay.

Bruce Little: It was two positions. First of all, I wanted to start off by saying that it was never my understanding that it was the intent of the County Council to close down the Print Shop. Clearly, if that had been your intent, you would have eliminated all three positions.

Paul Moss: Correct but the message got out there that that was the intent.

Bruce Little: You know how messages go. I can tell you that what I sent out very clearly stated that what the Council did was to eliminate two positions and if that decision stood, it will be the decision of the Board of Commissioners to close the Print Shop and not the County Council's decision. If anybody said that it was the Council, then it was their misreading of the letter I sent out.

Paul Moss: I appreciate the clarification.

Bruce Little: I wanted to clarify that up front. I believe that the reason those positions were eliminated was because of the study that was commissioned by the Council from IKON copy machines. They looked at the wide range of reproduction technology that the County offices have. Good things have come from that study. The first and most obvious thing was that you folks were able to trim \$20,000, cumulatively, from various departments' maintenance agreement budget line items. The reason you were able to do that was because the IKON study revealed the fact that many departments were overpaying for their service contracts by the fact that they were contracting for more copies in a years' time than they were using. When that situation came to light and we dug into it that truly was the case. Since then, in addition in going back to our vendors and getting a sizable credit for those copies, we have renegotiated our service contracts. No longer, is it going to be possible for us to pay for one copy more than what we actually used. We switched from an estimated annual volume basis to a per click basis. We will be billed, in arrears, for only the numbers of copies that we run. By making some projections, on historical usage, that was able to save us \$20,000. In addition to that savings, the IKON study allowed us to look at a couple of machines that were in County departments and they were greatly over-sized for the applications they were serving. These were 65 copies a minute machines that were servicing a location that could easily do well with a 20

copies a minute machine. Once we recognized that, we were able to transfer those machines out of that location and down to the County Print Shop where they could be better utilized. Those two machines were replaced with a couple of 20 copies a minute machines at a great savings in the service contracts to those machines. And that was in addition to a third point in the study. The study, as it relates to the Print Shop, pointed out that our technology was largely outdated by the fact that we were running three offset presses. Running an offset press is a much more time consuming job than just running a copier. We always tried to work with the philosophy of working with our equipment to its longest life that we can nurse out of it. That is what has caused me to continue using those three offset presses. However, when the win-win came up with the chance to get that one department out from under those two machines and into our department so they could be used to their fullest, it was a great opportunity. That opportunity has expanded our ability for quick turn around on unexpected emergency orders. The latest example of that is the Auditor's Office. When they recently had the need for the petitions for the school bond drive, the petitions went out of the office so fast that I think it caught some of the people off guard. They came downstairs for at least one, I don't know if there were more, emergency order. I believe that the turn around time that you got on that was such that you could not have gotten it at an outside print shop.

Tera Klutz: It was very good.

Bruce Little: In addition to that, there was a request to copy every blue petition that was turned in. Again, here was a case where 12,000 documents came down and the request was made to please make a copy of these.

Paul Moss: Who made that request?

Lisa Blosser: A person from the public who is paying to get copies of them.

Paul Moss: Did they pay for them?

Lisa Blosser: Yes.

Paul Moss: So they could have done that at an outside vendor and paid for it on their own.

Lisa Blosser: No, they can't take them out of my office

Bruce Little: They would have paid more than they ended up paying. But anyways, there is another case. If the Print Shop hadn't been down there, there is no way we could have turned around that request as quickly as we did. I want to say that there were some very good things that came out of the IKON study. However, not everything in there do I agree with. I certainly don't want to take the time of the Council to go through the study point by point. The issue at hand here is the recommendations on the Print Shop. Their comparisons to comparable shops, I

don't agree with. It was their recommendation that we could run the shop with one full-time and one part-time position. I can tell you that being in the County Services department for twenty-nine years and heading it up for eighteen years that it simply isn't going to work. If the Council insists on cutting two positions, I am recommending to the Commissioners to close the Print Shop. It is not going to work with a full-time...

Cal Miller: Okay, stop right there. You have said a great deal but let's flesh out a little bit. I appreciate you pointing out the virtues of the study that was a cost savings to the County. What is it in particular that indicated that one and a half people could do that and you take issue with? What happens in the Print Shop that you don't believe was fleshed out in the interview that they had with those folks down there?

Bruce Little: They made reference in the study that they were comparing them with the copy room shops in large corporations, like Lincoln Life. I am not that familiar with the copy room operation in a corporation like that. I can surmise and speculate that they don't get into a lot of the post production activity that our Print Shop does. Examples are binding, adding, perforating, cutting, drilling, laminating and I suspect that they don't have to deal with offset presses or things that require darkroom operations. I suspect that they don't make deliveries outside their building to satellite offices like we do. I can't really say so much how they based their recommendation of one and a half people but I can tell you that from my experience with that department, it simply isn't going to be operated with one and a half people because of the scope of services that they offer.

Cal Miller: So, you undertook some analysis and wanted to present the impact of the service to the County is the Print Shop was reduced to one person.

Bruce Little: Actually, what this projection here is based on is reducing one position and operating with two. That is where I believe that the discussion today should probably be centering on.

Cal Miller: So the conclusion was that with one person it is just not going to operate.

Bruce Little: Right. We will just have to close it down.

Cal Miller: You were trying to illustrate, on this printout, that if you had two, what difficulties you would have. Let's talk about that.

Bruce Little: If we operated the Print Shop with two full-time employees, with the vacation time, personal time, floating holidays and all, it is a safe assumption to say that for two months out of the year, it will be operated as a one-man shop. When we are running a print shop with one person, it is going to be a situation where we are not going to be able to keep up with the day-to-day operation during that time. When that happens, with rush orders that have to be out in two or three days, we will have to tell that department that it will probably be a week and a half to two weeks before they can get it. There will be a number of cases where they will have to take it to an

outside shop. When you start taking business to an outside shop is when you will start paying a premium price for your printed forms. I have no historical data to back up these projections. I am just using my experience on seeing how the Print Shop operates and how we outsource to say as a best case scenario, with two people instead of three, I don't see us losing less than ten percent of the work we do.

Cal Miller: How does that impact the overall, with what the Council is looking at and you make the case that you should at least have two, how does that impact the bottom line? What we are doing then is trying to figure out what really is the cost of that third person? When you look at the revenue being lost by the County because they are going to outside sources, the cost of that third person goes down substantially from the actual cost of the salary.

Bruce Little: Right. I don't know if everybody brought with them the fiscal impact sheet that Mr. Miller sent out. I can go over that with you. If my projection of the ten percent loss of revenue held true, we billed last year for our printing services, \$156,000. If we loss ten percent of that revenue, that means that we would be returning \$15,600 less to the County General Fund as miscellaneous revenue.

Paul Moss: The offset to that is that \$15,600 wouldn't be coming out of the General Fund from somebody's budget.

Bruce Little: No, it would.

Paul Moss: I'm sorry, it would.

Bruce Little: Absolutely.

Cal Miller: Actually it would be more than that because of outside costs.

Darren Vogt: That is an assumption that we don't have anything...

Bruce Little: That it costs more on the outside?

Darren Vogt: That we haven't looked at.

Bruce Little: Yes, we have looked at it and I can go over that when we get to it. The \$15,600 that we would lose in revenue back to the County General Fund, I estimate for this purpose about 30% on average, based on our surveys that we pay above and beyond what the Print Shop charges to the department. That would be about \$4,700. To offset that, we would be spending about \$4,800 less in supplies for that work that we are no longer doing in house. In addition to that, we would be eliminating that position along with a salary, FICA and PERF in the amount of \$39,368. Net, we are looking at a savings to the County of \$23,800. I simply plugged in, in increments of 5% all the way up to 30%, which I would consider to be a worst case scenario. I

don't think it would get that high but until I have some history it, this is what I see as being the range of feasibility.

Nelson Peters: Bruce, I think the \$150,000 is a very conservative number. If you look at the amount the County has taken in this year through June, we were looking at a figure of \$119,000. That was just for six months so I think \$150,000 is very conservative.

Cal Miller: So, to frame the issue...

Roy Buskirk: That was because of the petition.

Cal Miller: To frame the issue then, the Council has to ask itself that if we had a 15% loss of the copy jobs going to through the Print Shop, then the total savings to the County is \$16,000. Then as a Council, we need to ask ourselves is it worth eliminating a person and thereby reducing the service and responsiveness that the Print Shop has, we would be doing away with the quick turn around. Is that worth \$16,000? When we are weighing this, we need to look at the amount we are saving versus the intangible value of the service that is being provided. The other thing I would like to interject, as just a footnote, is if you would share with Council your approach to the City based on the new technology that you have in the Print Shop. What revenue potential you may have and how that should be considered by us.

Bruce Little: Absolutely. We started off last year by approaching the City's Purchasing Department to let them know that the County Print Shop would be available to help serve the printing needs of the City offices. At that time, I mentioned to the City that we are still a County operation and if we ever get jammed up, the County requirements would probably have to take a lead over the City requirement. We did start getting some business from the City. This year it has probably added up to \$300 but the fact of the matter is that we are getting our foot in the door. Now that we have the addition of these two 65 copies a minute machines, I had planned to go up and talk to Jim Howard, the Purchasing Director for the City, and tell him that we now have a program going where I am comfortable taking on all of the City work that we can. I told him that we could definitely save them money as well as the increased service. Then the allocation of my department was cut by two positions and I put that whole project on hold. I have still been in contact with City Purchasing. They were kind enough to share with me their bid information that they have on their forms. They last went to bid for their printed forms three and a half years ago. Six vendors replied at that time. The City has been able to renew the printing contracts at the same price for three years. At the end of this year, they will have to go out to bid again. I compared our current Print Shop prices against the bid prices that were offered by six local vendors. The savings from the current prices of the County versus the three and a half year old prices of the City were as low as 11% and as high as about 120%. When these vendors come in at the end of this year with new prices, I think it is fair to say that their prices are going to be higher. This is what I rely upon as evidence that we do charge less.

Cal Miller: So the point being that this drives down the cost of that third employee significantly for every dollar you can bring in.

Bruce Little: That's right. The City doesn't operate a court system and so therefore the number of forms that they produce in a year approaches how much we do. Still, I suspect it is a significant amount of business.

Paula Hughes: Do you have a feel of what that total volume would be if the City switched all of their printing needs over?

Bruce Little: They gave me an estimate of how much they might buy in a year's time but you have to remember that the County Print Shop is not capable of producing all of the forms that they require. By way of example, we do not produce continuous form, in-feed forms downstairs. Their overall budget, I was given an estimate of about \$75,000 a year. We would not be able to produce all of those forms for them. I will make a conservative estimate, if we got everything that we could produce, of \$30,000 to \$40,000 range.

Cal Miller: With that said, let me say that Mr. Little cautioned me that he doesn't want to overstate, in any way, the potential this has. He is courting them and he has the capacity. He wanted this to be a footnote and he does believe that there will be income that will offset the cost of the third person and make this decision less difficult. It is a work in progress and has the potential to be the offset for the cost of the third person if the Council decides to reinstate the other two positions. With two people in the Print Shop, can you court the City at all?

Bruce Little: Not at this point. What I would want to do is that if you do decide to cut us back to two people, we will drop delivery to the County departments as it is and we would want to go one full year and then at the end of that see how well they have been able to keep up. If we are somehow able to more than keep up with the County work, then I would be able to look at courting the City business. I would be happy, at the end of that first year, if we just wouldn't lose a lot of our County business. When I do go to the City and try to take on their work, I want to do it in such a way that we are not going to let them down. Even if you give us our current staff of three, I would want to test the waters for both them and us by taking on several City departments and handling their complete needs. If that works out well after a few months, then I would want to take on more and more work. After talking with folks in City Purchasing, they are very anxious to explore this opportunity.

Cal Miller: It goes without saying that if the City is saving money the taxpayers are benefiting all the way around.

Darren Vogt: In your opinion, what would precipitate County departments from not using our facility?

Bruce Little: If they have a need for a printed form and we cannot produce because it is beyond our technical ability...

Darren Vogt: Throw that out because we don't do those now anyway.

Bruce Little: Or if we cannot meet the required timetable.

Darren Vogt: How often does that occur?

Bruce Little: Very rarely. We have the staff to handle it now. Several years ago, our typical lead time for deliveries was running one to two weeks.

Darren Vogt: And what do they run now?

Tera Klutz: A day.

Darren Vogt: What forms or materials do we print on an emergency basis? The remonstrance makes sense but if it is court forms, they know when their supply is running low and they order them.

Bruce Little: In a perfect world, you are right. Even though it is so easy to set up a system, we are on the last package of forms and we have a note to reorder, it will not happen with consistency.

Darren Vogt: That is a management issue that the taxpayers shouldn't bear the burden. The department head should bear the burden and be able to manage their business.

Bruce Little: You are absolutely right. If you know a way that we can prevent that from happening, let me know. I will do everything I can to prevent that from happening again.

Cal Miller: I really do appreciate the question because the reality of it is that in a law firm of eleven lawyers, we rely so heavily on our copy room and if that comes to a screeching halt, the whole day comes to a screeching halt. The best laid plans don't often get executed. The point is valid but we need to decide what the intangible is worth. Is the \$16,000 worth the two to three days that we have proven or do we deal with the fact that every department is not going to come in and follow the policy in a timely fashion. That is what we have to grapple with and then look at the City's potential to decrease the cost of that third person.

Roy Buskirk: I think that the one thing is that, Bruce, you need to look at revenue generating to maintain the three people. You need to look for more savings or more revenue. I do know that in talking with you, there are other services that the Print Shop provides. Delivering paper to the different departments and things of that type that a normal print shop doesn't do has to be taken into consideration. The thing that

always gets me is, don't you have anything that you are running today? Your staff has been sitting in this room most of the day.

Bruce Little: I don't think that is the case.

Roy Buskirk: Isn't there Print Shop personnel sitting in this room?

Bruce Little: I had him come up with me now but I don't believe he has been up here most of the day.

Roy Buskirk: Okay. Then I will retract that. You need to be really looking for ways to generate funds or to save funds. I think that is what initiated this whole thing of cutting your budget.

Bruce Little: I would hope that you see my approach to the City as doing just that.

Roy Buskirk: It is.

Bruce Little: What we cannot do is start advertising to take on...

Roy Buskirk: No, no, no, no, no. I don't like the fact of government competing with private industry. Some of these departments, if they are coming in with wanting real fast service, I think you should be charging them for it. If they went to the private sector and wanted a rush job, they would be charged extra.

Paula Hughes: It is all out of the same bucket.

Roy Buskirk: I know it is but it would show generating revenue.

Paul Moss: You will find that some of those rush jobs will become less rushed.

Patt Kite: Bruce, I have a question. If you retain your three people and you take on the extra City work, do you think it will have any impact on the service that you provide to the County?

Bruce Little: That is why I would want to take a measured approach to this. Instead of trying to take on the entire City work, if they are good enough to give us that opportunity, I would rather start off with several key departments. We would just have to see how that goes and I will let you know.

Patt Kite: Thank you.

Paul Moss: How are the charges established for what you charge?

Bruce Little: We take a look at our costs and we add a percentage on there so that hopefully what we are paying out is roughly what we take in.

Paul Moss: So the budget for the Print Shop is what? What is the cost for operating the Print Shop?

Bruce Little: If we eliminated the Print Shop, we would be \$218,986.

Paul Moss: So the charges do not cover the operating expenses.

Bruce Little: The total billings last year were just a shade over \$200,000. The figure of \$156,000 does not include the copy paper that we sell and distribute to the departments. Total billings and total revenue return last year was just over \$200,000. The savings that the departments realize, by coming to us, makes up for the shortfall in the billings. If they weren't there, the County departments would have ended up spending X number of dollars over and above and that more than makes up that difference.

Paul Moss: The point for bringing that up is that it is not a completely fair comparison to compare a government subsidized entity to an outside print shop that actually has to cover all of their costs and make a profit.

Bruce Little: Absolutely it is not a fair comparison. We are trying to do what is best for the County though.

Paul Moss: I appreciate you acknowledging it is not a fair comparison but you do believe there is excess capacity in the current Print Shop.

Bruce Little: I do believe we can take on more work, that's right.

Paul Moss: And just to remind everybody, the IKON study and what it essentially stated and I don't believe that IKON would have benefited from that component of the study although there was maybe some desire on their part to have the printers down there to be IKON but that wasn't part of the study. What they did was look at it purely based on the number of images or impressions that go through there and I know a little bit about this because I know what we do at our hospitals and what IKON did was came up with an average number of impressions for each FTE. What they found was that the Print Shop appeared to be grossly over-staffed. There are extraneous factors here, obviously. To their defense, they said very specifically, that you might find intangibles here and you have identified one, to make it worthwhile to keep things as they are. What I am trying to do is look for ways to try and save a little bit of money and I am not going to be ashamed of that. What I am disappointed by but not surprised is the circle the wagons mentality in sending the survey out that is a little bit leading somebody in a certain direction. I have gotten the information that I need. You make a good argument. I am trying to figure out if you are advocating two employees because you have justified three to two or are you suggesting that we keep things as they are?

Bruce Little: What I am suggesting is that if you cut a position back to two, we can still keep the doors open and I would not recommend to the Commissioners that we close down the shop. However, the services that we offer to the County departments will be impaired. The first thing to go out the door is our delivery to the departments. The departments will need to send their own people down to pick up forms or copy paper or whatever.

Paul Moss: So you don't believe there is any opportunity for increased productivity...

Bruce Little: By cutting an employee?

Paul Moss: No, let's say that we leave things as they are. You don't believe there is any opportunity for increased productivity? Or, if we do cut an employee, you don't think they could increase productivity to basically keep the services the same.

Cal Miller: Let's answer those one at a time. Those are two very distinct questions.

Paul Moss: Alright. I will rephrase the questions. Is there any opportunity to increase productivity, period?

Bruce Little: Yes.

Paul Moss: And how would we do that?

Bruce Little: By approaching the City and taking on more work from them.

Paul Moss: So just filling the capacity. Okay.

Darren Vogt: So the question would be do we give it time to create a revenue stream that could potentially be with the City or do we consider whether we cut one position and keep the facility open? I think that is our bottom line decision that we have to make.

Cal Miller: I don't know if I am one of them that is circling the wagons or not but do you take issue with the way that the analysis has been presented?

Paul Moss: This analysis?

Cal Miller: Yes.

Paul Moss: There are variables in here that could affect it dramatically such as the higher cost of outside production. I don't know if that is accurate or not. I don't know that if you went to one vendor and said that you had \$200,000 worth of work that has been subsidized work and if we give you that work, what is your best price? I don't know if you have done that or not.

Bruce Little: That is what the City did.

Paul Moss: I don't have a huge argument with this. There are variables that could affect it but it does show savings.

Cal Miller: The whole analysis is the appropriate way to approach it. Before we move on beyond this, you were using the number of impressions as the way in which the Print Shop was analyzed under the IKON study. Why isn't that a fair analysis of the Print Shop?

Bruce Little: If all we did was create impressions and do no further processing of the forms, if we threw away the number machine, the hot glues machine, our cutter, perforator, binder, laminator and simply stood there and operated a copy machine, we would be operating with two people right now.

Cal Miller: So, setting aside the intangibles, I think it is the number of impressions plus the others and then we can look at the intangibles as to the service provided. I think it is fair to also include those other services they provide on top of the number of impressions that was looked at.

Bruce Little: May I take a moment? I would like to address the circle the wagons as well. I have a history of eliminating jobs from my department when it calls for it. Back in 2003, we had four people in the Print Shop. We were running a central office supplies depot out of there as well. We established that depot long before internet ordering and next day delivery from the office supply vendors. When that became a viable possibility for us, I eliminated that position in 2003. I didn't do it through attrition, I called the young lady up and I had to fire her. In the Purchasing Department, we used to have an extra person there. There was a change in some procedures, a change in technology and I eliminated that job. Not through attrition, I called the lady in and I fired her. I take umbrage to the suggestion that I am simply stuck in the mud and not willing to make the hard cuts when they are called for. This cut is not called for. That is my opinion.

Paul Moss: That is fine, but keep in mind that much of this would not have occurred without the IKON study.

Bruce Little: I agree.

Cal Miller: He has given that his due consideration.

Darren Vogt: One of the things to look at, and I don't know, is the gluing and stapling included in a normal print shop? I am making the assumption that some of that would have to go on...

Bruce Little: To a greater or lesser degree.

Paul Moss: I can tell you that from an organization that is substantially larger than this, that yes, they do and I believe it is an apples-to-apples comparison. We can manipulate this so many ways that it is not even funny. That is a baseline metric that I think is reasonable and it is just grossly different. If everybody is comfortable with this, that's fine. I just think that we have to explore the options. It seems to me that you are advocating two employees and keeping in mind that we wouldn't be able to approach the City and get that work.

Bruce Little: If I am giving the impression that I am advocating cutting a position in my department, please, that is not the impression that I am trying to instill.

Paul Moss: So you are saying to keep it as is and approach the City for business.

Bruce Little: I am clearly advocating three people for us to maintain the current level of service.

Paul Moss: And try to seek additional revenue.

Bruce Little: And try to seek additional revenue.

Paula Hughes: I would suggest that we should give them a year to do that.

Darren Vogt: Well...

Paula Hughes: I know, we are to move on but I think it is something to consider.

Roy Buskirk: Let me ask one more question. Are they 37.5 or 40 hours?

Bruce Little: 37.5

Paul Moss: Are there any other questions on this exciting issue? Bruce, I know you put a lot of time into this and it is appreciated. We are now ready for Building Maintenance. If the liaison doesn't remember the primary issue related to Building Maintenance, does somebody else?

Roy Buskirk: Something about a pickup.

Paul Moss: I seem to recall that as well.

Roy Buskirk: I have one question. On your appeals letter, something jumped out at me and it says hauling fluorescent bulbs back to the north complex. You do other things with the truck besides that, right?

Dan Freck: Oh yes. What that is is that we have drop-off sites and on a routine basis we pick those bulbs up and take them to the north barn. We are working with Tony Burrus and Solid Waste Management. That is just one of the issues with that type of truck.

Roy Buskirk: We pick them up from Sears and so forth?

Dan Freck: That is my understanding.

Patt Kite: Yes we do.

Roy Buskirk: So all of the public drop-offs for fluorescent lights in the County, or for most of them?

Dan Freck: Just mainly Sears and I know we have a drop-off site here by the maintenance staff room. That is for all of the bulbs that we have throughout the County.

Roy Buskirk: Okay.

Dan Freck: That is for that type of truck and we use a trailer.

Roy Buskirk: Oh, so you use a covered trailer.

Paul Moss: Does anybody have any specific questions that they would like to ask here?

Darren Vogt: The issue is that the truck you have now is just old. Help me understand the reasoning behind the heavy duty. You use a trailer to haul out to Metea...

Dan Freck: What we have is a 1995 Chevy 4X4 pickup that we use for heavy hauling. A good number of our trucks are for heavy application. Monday mornings, we take off with this type of a truck and a dual trailer. We go to Metea for all day. This truck is used for snowplowing and emergency uses throughout the winter.

Darren Vogt: What does this snowplow do? This area here?

Dan Freck: We maintain a lot of your downtown areas, the TB clinic, ACP, the general parking lots down here. Then we had north to Youth Services.

Darren Vogt: So it does all of the plowing that the County needs to do.

Dan Freck: That is not the only one we have. We have two trucks that do that and then we have a small dump truck that we work in conjunction with Community Corrections and for salt and sanding purposes. Downtown, we don't need a $\frac{3}{4}$ ton truck because we use just manual labor and snow blowers. Last year when we had the heavy snow, we had to bring two of those vehicles down so that we could clear out the bigger piles and have more parking spaces.

Darren Vogt: So your fleet, you will rotate around and this truck sits down here and will be the main unit.

Dan Freck: We were able to get a new truck back in 2005 and this one is just the oldest of the fleet and would be rotated out. It has over 108,000 miles on it and we did a mechanical history with the Service Center.

Darren Vogt: Is there any way to reuse any of those, the lift or the plow or any of that?

Dan Freck: According to Mr. Pray, we are not allowed to take a used snowplow and put it on a new vehicle because of the airbag sensors. There is a lift that probably could be exchanged.

Darren Vogt: And this one is going to auction, right?

Dan Freck: Yes. We did a county search and the Service Center thought there might be a used one around and there was none. The Highway Department was doing a take-home policy and after we had done the budget and I talked to Randy Knach at the north barn. He had some take-home vehicles that were going to go to auction but he had no truck that would fit our needs either. The history on some of his trucks is that the miles are even greater than some of the trucks we have here. He had advised us to not consider taking one of them.

Paul Moss: Are there any other questions on this issue? That was pretty straight forward.

Roy Buskirk: On the handout that you gave, L-O-F?

Darren Vogt: Lube, oil and filter.

Roy Buskirk: Is that what that is? On the ones that you are showing us, it seems like that is for different vehicles?

Sidonie Inman: That's right. It is whatever service was given to the truck and that is for each month that we do the billing. It states the unit number and that is how we track them.

Roy Buskirk: There are multiple vehicles on these invoices. I thought at first that you were trying to paint the picture that this was all the repairs that had to be done to this one truck. Then I realized it was for different vehicles.

Cal Miller: Which vehicle is the one in question?

Roy Buskirk: 07.

Dan Freck: Yes.

Paul Moss: Are there any other specific questions? Appreciate your time. Up next is Superior Court.

Lisa Blosser: Page 72.

Paul Moss: Welcome. Please introduce yourself for the record.

Jerry Noble: I am Jerry Noble, Court Executive in Allen Superior Court.

Fran Gull: I am Fran Gull, Chief Judge and Administrative Judge for the Criminal Division.

Paul Moss: This one was a little more complex as I recall.

Darren Vogt: I met with Jerry the other day and I told him that I think this was a late in the day decision. There was a lot of complexity to it and we had all gotten to the point where we were very confused mentally.

Jerry Noble: I can hopefully bring some clarity and simplify things a bit. First of all, we met with you in the June meeting and had an appropriation in the 400 series. That can be removed from the budget. That is on page 75, I believe. There were two line items totaling \$77,481. To bring some additional light to the situation, we are going to bring some reductions to some of the line items that we submitted in June. The first would be on transfer fees. The request was \$92,500 and it will come down to \$87,500. The request for consulting services was originally \$170,000 is now at \$164,000. Another thing that is listed is an appeal item and that is the CASA position. That is now out. That is now requested in a grant.

Darren Vogt: There was a question that I recall, that the pauper attorney fees, that position was to reduce the pauper attorney fees and it did. If you look through the papers, they did reduce that as well. Correct?

Jerry Noble: That is correct.

Fran Gull: It was guardian ad litem.

Cal Miller: So where does that leave us with the total appeal request after you backed out the reductions and the amount that was granted at the last meeting?

Jerry Noble: The number is \$86,405. If I may speak to some of these issues and then entertain any other questions you might have.

Paul Moss: Go right ahead.

Jerry Noble: We are here primarily on this appeal today, with regard to our Criminal Division. Everything that we are appealing is driven by our Criminal Division caseload. Something I would like to give just for background is that our Criminal Division caseload is more complex and higher numerically than it has been in the past. For example, we had a pool of 40,602 cases filed and out of that number, 1,718 were felony cases. In 2003, we had more total cases filed in Criminal Division, 41,000 and a few more, but out of that only 1,460 were felony cases. What I am here to tell you is that there is a shift in the seriousness of the offenses, the expenses, the complexity and the resources that are required to address those. Also, in the Criminal Division, there has been a change in case law. Judge Gull can address this better than I can. Simply the matter of capped guilty pleas, several years ago it was not necessary to advise the defendants of their right to appeal a capped guilty plea. Now, by virtue of case law, it is necessary.

Cal Miller: What is a capped guilty plea?

Fran Gull: That is a plea agreement offered by the State of Indiana. By example, a D-felony has a minimum of six years and a maximum of twenty years. The plea agreement calls for the executed prison term to be capped at twelve years. The court has discretion between six and twelve years as to what amount of time that individual is going to get. We had never in the past had to defend the exercise of that discretion. With the change of case law last year, if you are charged and convicted under a capped plea, I have to advise you of your rights to appeal that sentence. Even though you agreed that the sentence would be between six and twelve years, the court of appeals says that because the court still maintains discretion within that range, we have to advise them of the right to appeal. When I advise folks of their right to appeal, they always say that they want to appeal that.

Cal Miller: These are folks that have been incarcerated and getting ready to appeal and they are being contacted later to know how the law has evolved...

Fran Gull: We are advising folks now that are currently pleading guilty and once folks have been in the Department of Corrections for a period of time, it doesn't take long, once the change in law is effected, for that to spread like wildfire. The law libraries within each Department of Corrections prepare forms and send those forms out in mass to the general population. They get the form and say "Oh, I had one of those." They sign it and send it to the law library who then files it.

Cal Miller: What does that appeal entail, just so we can understand the manpower and resources that are being consumed by you as it relates to the request for the increase?

Fran Gull: We prepare a transcript of the guilty plea and a transcript of the sentencing and we have to appoint a local public defender to represent that individual. The public defender's cost is also incurred.

Cal Miller: Is that part of what this \$89,000 represents?

Fran Gull: That is part of the reason for the transcript increase and a major part of the reason for the additional court reporter costs.

Darren Vogt: The additional court reporter, go ahead and talk about that.

Jerry Noble: We mentioned this in our pre-allocation questionnaire and to sum it up real briefly here, we have six court reporters in the Criminal Division, four in the Courthouse and two in the Bud Meeks Center. We have a Criminal Division Scheduler and that is our support staff for the Criminal Division. That group together has a total of 134 vacation days, 35 sick days, 14 personal days which are things that impede our ability to keep things running. We have one reporter per judge or magistrate and many courts have two for each judge. We need to have that additional person to carry that caseload as Judge Gull just mentioned. The way we operate now is breaking down and causing delays and problems routinely. If one judge is finished with hearings in the morning, we might combine a couple of judges' calendars together so that the reporter works for them both. We are taking away resources and the work is getting delayed. They can't continue to work on the things they are doing because now we are calling them to fill in for someone who is absent.

Fran Gull: It becomes absolutely critical though when one of the reporters gets sick. For example, this week, I have had a jury trial and am responsible for the empanelment of the grand jury. Judge Scheibenberger had a jury trial and a bench trial and Judge Surbeck had two jury trials. Had one of the court reporters called in sick, I don't know what we would have done. The court reporter that we would have normally gone to for coverage was on vacation. If we have anybody that calls in sick, we scramble around and try to compress calendars and get people to cover other people. We do not have an extra court reporter to cover when people are sick or take scheduled vacations and our scheduler has no backup at all.

Roy Buskirk: In all seriousness, you can't call temporary employment and find help?

Fran Gull: No. There are very few folks out in the community that have the skills necessary to court report. As it was, to empanel the grand jury, we did hire an outside court reporter service that mainly does depositions because we don't have anybody to put in there and cover that obligation.

Cal Miller: It is my understanding, after talking to you a couple of months ago, that this is a problem that has culminated and you have done some things over the years to try and shift things around but have just failed. Can you outline what that is?

Jerry Noble: We have used a temporary fill in for the scheduler and the cost winds up being more expensive if you did that on a full-time basis. We have had to tell the felony scheduler that he couldn't take vacation right now and as a result, it keeps piling up at the end of the year. We have to allow him to get that in. It was at that

point that we called in a temporary agency. Our need is more routine and regular than that. We are not at a place where we can very often or successfully borrow reporters from other divisions of the court because their loads have continued to rise also. We have had an employee, over in Small Claims, come over and fill in for the felony scheduler. The Small Claims Magistrates have said that they thought this was going to be a temporary thing. We were slowing down their operation too. They were having trouble cranking out protective orders and other things. It is simply not working to borrow people from other divisions.

Roy Buskirk: Are they 37.5 or 40?

Jerry Noble: 37.5.

Paula Hughes: One of the reasons I wanted to pull you back in was to talk about the health of the ACP User Fund. Can you talk a little bit about what you feel about it? I am looking at the projection and the cash balance from 2004 through projected year 2008. The cash balance was increasing every year. We had the big acquisition of the building and expansion of services but it looks like it is actually beyond the one-year dip. It is continuing to drop by about \$200,000 a year.

Fran Gull: We are experiencing some success in ACP. ACP is driven by OWI arrests and those arrests have dramatically decreased. I don't know why and I don't have any controls over the police departments and who does arrest and who doesn't arrest. The numbers of OWI arrests have decreased significantly. That is where the ACP user fee is charged. If you are convicted of operating while intoxicated, it is a \$200 fee that you pay. That fee is not imposed as frequently because there aren't as many OWI offenders anymore.

Paula Hughes: The Drug and Alcohol Consortium is a victim of that success as well. For Superior Court, how are you going to address that because if the projections continue, then you will dry up this fund within five years?

Fran Gull: I hope that doesn't happen because right now we are paying a significant portion of our budget out of that fund. Many years ago, no one on this Council, that was eliminated from the General Fund. I was forced to pick that up out of the ACP User Fund. We are looking for ways to increase revenue in the ACP program with the Prime for Life Institute Research Program that we teach. It is an educational program that is taught in-house but those classes are also continuing to decline because the alcohol related offenses are also continuing to drop. I don't know what to attribute that to other than there aren't as many people out there drinking and driving and acting like idiots on our public streets. So what we are doing and the Drug and Alcohol Consortium and treatment providers in town are doing is working and it is impacting our budgets because there are fewer offenders.

Paula Hughes: Does that equate to fewer needs for services?

Fran Gull: It could. The ultimate impact could be staff reduction.

Paul Moss: Are there any other comments or questions for Superior Court?

Jerry Noble: If I could speak to the consulting fees line item as well. We came in and talked about making a reduction there from what the original request was. It is still an increase. A couple of things that I want to point out have to do with interpreting services. We continue to have a high number of daily foreign language interpreter cases we need to take care of. It is in Misdemeanor Traffic, Felony and some of the other courts as well. We have had to go into distant states to find some more obscure language interpreters as opposed to the Spanish that we have pretty readily available. Some of the other languages, we need to go out of state to get the interpreters for. The other thing is that over in Misdemeanor Court, we don't have numbers to quantify this but we suspect that we have been impacted by the closing of the State Developmental Center. We have had a number of cases where people have been picked up for battery, beating up a staff member of fellow resident or something like that. The police are called and they come to court. A public defender is appointed and they may need psychological evaluation. This is an impact that nobody saw coming.

Fran Gull: Just yesterday, so you are aware anecdotally, Judge Avery who handles the Mental Health Court contacted me because the jail had contacted him about an offender who was refusing to take their medication. She was becoming extremely outrageous and becoming dangerous to herself and could not be controlled. The staff wanted the court's authority to forcibly medicate her. It was an offender that was being held on misdemeanor public intoxication and resisting law enforcement. I checked her on the computer and I talked to Judge Avery and said that if the jail has to forcibly medicate her, then that is what they are going to have to do. He signed the order give the jail the authority to forcibly medicate her. Only, after talking to her attorney that she is due in court on August 17th, I will file the petition to have her examined and have her competency evaluated. That is the perfect situation where you have a mentally ill individual that is being confined in the jail who is, when they are medicated, controllable and doing what they need to do. When she refuses to take her medication, she is not competent. We are going to spend some money on this young lady to have her examined to see if she is competent enough to go forward.

Paul Moss: I appreciate that information. I assume there are no additional comments or questions at this point?

Roy Buskirk: I have one question. I see the CHINS and will there be more costs in your involvement with Children and Family Services?

Paula Hughes: There will be.

Jerry Noble: I am not sure that I understand the question.

Paula Hughes: There has been a change in State law that indicates that 100% of the substantiated reports have to go through the courts whereas now only about 40% do.

Jerry Noble: Certainly that will impact us in a significant way. It will involve pauper attorney appointments and guardian ad litem.

Roy Buskirk: But you don't have any of the possible additional costs in here.

Jerry Noble: I don't have the data...

Paula Hughes: The change isn't coming until 2009.

Fran Gull: We have time to brace ourselves.

Roy Buskirk: Would it help your situation if the reporters went to a 40 hour week instead of 37.5?

Jerry Noble: We hadn't contemplated that question before this. Are you talking of it helping in terms of less overtime or what?

Roy Buskirk: It would help in not having to give you additional personnel. I mean as far as being able to get the work production done.

Fran Gull, Well, candidly, my court reporter was here with me, on Tuesday night, until about 7:30. She is putting in way over forty hours a week just to be there during trials.

Jerry Noble: Are you asking in relationship to the additional employee?

Roy Buskirk: Yes.

Jerry Noble: I see that as more of a complicating factor than solving the problem.

Roy Buskirk: Okay. That is one thing that has been looked at is County employees going to forty hours to cut down on the costs.

Paul Moss: Who is contemplating that?

Roy Buskirk: That is just some discussion going on. It has been talked about in Personnel Committee.

Cal Miller: I can see the point. You can get more productivity out of fewer people. Although there is added expense, you may get more without adding people. It is a valid point.

Jerry Noble: It is a solution in private industry.

Roy Buskirk: The one thing you were saying is that you have so many vacation days and so many sick days and if you hire an additional person, you are just going to add all of theirs too.

Jerry Noble: It would give us an additional tool to manage our calendars and schedules. I don't think the forty hour thing addresses that problem.

Paul Moss: All right. I appreciate it. Parks and Recreation has been waiting patiently.

Roger Moll: I don't think I have been here for several years. Sam Gregory, President of the Allen County Parks Board is here with me.

Paul Moss: Who is the Parks and Rec liaison?

Maye Johnson: I am.

Paul Moss: Do you know why they are here?

Maye Johnson: I think I remember. This is the capital equipment request for \$60,000 which is the same level you requested in the pre-allocation hearing. The second request is for \$20,000 for the Part-Time Hire for additional receptionist staffing.

Roger Moll: And for some additional part-time naturalists.

Darren Vogt: One of the questions I have is if you are doing part-time...

Cal Miller: As I recall, there was a \$60,000 capital line that you requested and what other funds do you have, at your disposal that you could supplement instead of General Fund dollars?

Roger Moll: You want me to address the capital request issue and why we don't spend our operating fund on those pieces of equipment?

Cal Miller: If you could outline what funds you have and why those aren't more appropriate use than the General Fund dollars.

Roger Moll: The Allen County Parks operates, as you know, with three accounts. The 217 account (Park and Rec Operating) is a non-reverting operating account which means that all revenues in that fund are generated by program fees that are done in terms of working with the schools and in being the environmental lab resources. Those are offered to the young people to come to the park to understand resource aspects for conservation issues. Those are two dollars per child, two dollars per entrant to the park and with that we offset 100% the 100 and 200 series expenses in the operating budget. To divert those resources and purchase capital equipment,

we are somehow pleading our case that the County would pay into our 200 series or 300 series accounts some similar or equivalent amount.

Cal Miller: Before we get to that conclusion, what we need to know is the balance of that account, what the revenue stream is and what the expenses are in the 200 and 300 series to see if that could sustain both the capital needs and the operating...

Roger Moll: I can give you approximate numbers. I think the operating has...

Paula Hughes: How about if I fill you in? At the beginning of 2007,

Roger Moll: \$208,000 as of July 31st.

Paula Hughes: Okay.

Roger Moll: Of which \$140,000 of that is a cushion. It has taken twenty-five years to generate a \$70,000 cushion.

Cal Miller: That is my next question. That is why we are here, to explore that. Talk about how that cushion was developed and what is the intended use for the cushion and why you want it there.

Roger Moll: For the same reason that the County Council has worked diligently to create a Rainy Day Fund of multiple millions of dollars. You would hate to operate a business without an ability to have a cash flow. We could have another West Nile season, another period where we would have to close the lake or any number of things could happen. The school corporations might not support bringing kids from the schools to the park where we service the outdoor laboratory. Those are the things that stretch an operating budget on a routine basis. Recently, those have been positive but we have had periods where it has not been positive. That is when the operating costs change greatly. Electric bills, maintenance of vehicles, the utility costs and all of the things that go on in a park doesn't change or go away.

Cal Miller: Does the Auditor's Office have a history of that particular fund in terms of the expenses, revenues and balances that have been carried?

Paula Hughes: I have the information from our pre-allocation books and going back to 2004. In 2004, the beginning balance was \$128,236. In going forward, the beginning of 2005, it was \$153,000. The beginning of 2006, it was \$168,000 and 2007 was the same beginning. The year-end projection for 2007 is \$169,000. So you are hovering right around the \$165,000 to \$170,000.

Darren Vogt: It is expended by about \$7,000 roughly?

Paula Hughes: Yes, for 2004, 2005 and 2006.

Roger Moll: In 2006, they added another full-time park operation which we still are trying to figure out how those costs and things are going to work through the operating expenses. Even after a year and a half, we are still ramping up the staff and things. Metea Park, we did some things and they are about 25% over attendance from Fox Island. Folks still know about Fox Island and go there and use it but Metea is still being found.

Darren Vogt: How do you measure that, by gate receipts?

Roger Moll: Currently, a couple of things. During the summertime, we are able to staff the gates full-time. As a result of that, we count each individual who comes to the parks. We know that in July, Fox Island had over 4,000 guests.

Darren Vogt: One of your requests is for the part-time naturalist. A part-time naturalist, in theory, can generate revenue via the programs that they create and implement. Is it your opinion that a part-time naturalist could create more revenue than someone manning the gates more than you have?

Roger Moll: Yes.

Darren Vogt: Okay.

Roger Moll: A gate person only gets what comes through the door. Folks who work in our park system are natural resource oriented individuals. Some are well-trained professionals and some are vocational naturalists, if you will. We are able to find and identify some folks who have very good skills and can be creative and find ways to introduce folks to our parks. Programmatically, they drive audiences to the parks and that is a good thing for the park and the community. It is good for people to understand natural resources and environmental aspects of northeast Indiana.

Cal Miller: At what point does the access that you have in the non-reverting account going to be sufficient to address the comfort needs of Park and Rec? At some point you would have too much in that and it should be spent on something else. What is the goal there and when can you spend some of it?

Roger Moll: A few years ago, we committed over \$50,000 of those funds to a match of the Fox Island Lake improvement grant. The board can make some allocation decisions when we may not have grants or gifts that are appropriate for the major projects.

Cal Miller: I appreciate the flexibility that it gives you, when you can turn \$50,000 into a \$250,000 investment with the grant. But I was just wondering that at some point there has to be a cap to the reserves so that we are not holding up excess money.

Roger Moll: That is a perfectly good question and quite honestly, the Park Board has been historically so close to the vest, if you will, with how they use and allocate the resources that they have never really stopped to consider what is the appropriate reserve. Is one year's worth of operating costs, \$250,000, what should be the cap? Frankly, we have never had any positive experience when we have tried to receive local government resources for operating expenses. They have kind of taken it on themselves to be conservative and prepare to accumulate resources that they can continue to keep the parks open and available. They have not changed that attitude over time. So you are asking for a change of attitude and they haven't addressed that.

Cal Miller: In any event, I think you ought to know that this Council's analysis of funding for any department will take into consideration the other funding streams. It will always be a part of the analysis of this Council and that you don't get a pass for funds that do not have appropriations controlled by County Council. That will always be a part of the analysis of General Fund dollars that will be flowing to those departments that have the good fortune to have other funds coming to them and I understand yours are really pretty modest.

Roger Moll: Seven or eight thousand dollars a year, positive cash flow, is not exactly knocking down the big bucks.

Cal Miller: I have suggested that there is a threshold that the reserve you have is going to be questioned about whether it is appropriate or not. When is that threshold going to be sufficient for us to say that you should be tapping those funds before looking for additional General Funds?

Paul Moss: It is really more of a philosophical explanation but the Grand Wayne Center has a year's operating reserve.

Roger Moll: I would be glad to address that after we get a year's operating reserve.

Cal Miller: I agree. Your goal, at least I think, was to get to that point.

Paula Hughes: You do have it.

Roger Moll: We're close.

Darren Vogt: I have a question and Council, help me if you remember. There seems to be a correlation between taking care of maintenance at Metea Park with Dan Freck and his equipment and this \$30,000 tractor. I would like you to talk about that as well as this vehicle that you need that has to do with transporting people to and from the parks.

Roger Moll: Okay. With the tractor, the park raised somewhere in the neighborhood of \$400,000 with the help of the Commissioners to put in the Gloria Goeglein Center with the full intent of opening that park full-time. We have done that. Metea Park is

twenty miles or so from Fox Island. When that one tractor is in use at one park, it can't be in use at another park. When it is needed at the other park, it needs to be loaded on a trailer and hauled to the other park. We tie up the maintenance crew for half a day with loading, hauling and unloading so it can be used by the other maintenance staff. When all of the park staff worked from Fox Island, then Metea and Fox were serviced with the same staff. Now, with separating the maintenance staff so that they are at both locations and we didn't add any maintenance staff, sometimes they are waiting for equipment to do what needs to be done. We can spend money and risk transporting equipment up and down the highway or get equipment that is needed. \$30,000 was a preliminary number but I think \$15,000 is what the Park Board can live with. It would be a 28hp tractor used as a mower and would be assigned to a specific park. I say \$15,000 because I think that some of the operating fund would be used to pay the balance.

Darren Vogt: Hoe does that equate to what Mr. Freck does and his crew that goes out there now?

Roger Moll: The difference is that we have at Metea over Fox Island, which is almost 100% wooded, is that Metea has two level fields that were created as part of the master plan. We still have some large open fields for mowing. We would still have to get enough part-time allocations to cover that.

Paula Hughes: I believe that on these capital requests, and maybe the message didn't get back to the departments, but this Council has chosen to not put money in the annual operating budget for one-time expenses. We have started setting aside a lump sum in County Council's budget just for capital expenditures and have asked departments to approach us throughout the year for those capital expenditures. It doesn't make sense to increase your annual budget for a purchase that you would only make every ten to fifteen years.

Roger Moll: This is a new thing because if I had known, I would have been here in April.

Cal Miller: So, come back next month and see how that goes.

Roger Moll: Next month, we will have to send a new face.

Roy Buskirk: You should announce that.

Roger Moll: We had the good fortune, last night, to hire Jeff Baxter. He will be the new Superintendent for Allen County Parks. He comes to us from the Fort Wayne Parks system. He was their Superintendent for Facilities. He brings years and years of quality experience. I look forward to his starting and the Park Board looks forward to his leadership.

Cal Miller: I think in passing the torch to Mr. Baxter, ask him to come back because that is what we have done for the last couple of years. The County Council has put \$1 million dollars in 2007 for the budget for capital requests.

Paul Moss: I think we need to move on. I have all of the information I need. We will talk about this after we have heard from everybody.

Roger Moll: It is a whole new management strategy when you have two facilities as opposed to one place where everybody goes. To have one set of equipment is just a challenge. The part-time naturalist is a request that is in conjunction with the Monday opening issue. Historically, the County parks have been closed on Mondays. I asked for \$20,000, particularly for Metea and Fox Island, so that we are open seven days a week. That is an increase of 14% but the sidebar is that it also opens up 20% of the park time for school corporations to access the parks. We hope that more young people will be able to experience the parks and certainly, it would generate additional revenue. The \$20,000 is kind of an investment in keeping our parks open for the community. Half of that is for the nature center facilities to be available for the folks who visit the parks. The other part is for the program staff because if we are going to have an increase in people coming to the parks, I don't have enough current naturalist staff to support the increase. Through the summers, we have been open on Mondays and it is interesting that with very little publicity, we are finding that to be within 20% of the other weekdays' attendance. People come to the park, thinking they can get in and now they can. As a result of that, the Park Board knows that they needed to change the operating hours. Because we have had some attrition and vacancies, those Mondays would continue to be allocated to be open through December 31st. Using the unspent salaries from some of the positions that were there, we can continue to give the public the access to the parks. It is a major philosophy change for the parks. That is what the part-time request is about.

Paul Moss: All right. I know I have all of the information that I need. Are there any questions?

Cal Miller: I just would ask that Mr. Baxter, if you don't get the 400 series, then maybe Councilwoman Johnson can contact you and let you know that it would be something to be received under this year yet.

Roger Moll: I appreciate Council listening to the status of the parks and will be getting on the agenda for the next meeting.

Paul Moss: That would be great. We have three departments left. Now we will see Highway.

Bill Hartman: I am Bill Hartman with the Highway Department.

Martha Starnes: I am Martha Starnes, Highway Controller.

Roy Buskirk: What is the bottom line change?

Paula Hughes: Page 131 in our budget books.

Paul Moss: Would you care to summarize the changes for us?

Cal Miller: I would like to hear the allocation amount that you are appealing and reasons why it is needed to further the operations of the Highway Department.

Jackie Scheuman: They don't have an allocation amount.

Tera Klutz: They are just here in case you have any questions. They have reduced their budget with less revenue.

Roy Buskirk: Their budget changed because they are laying-off 25 positions and 19 actual people.

Jackie Scheuman: Their budget is within the revenue forecasted.

Cal Miller: All right. I am sorry. I thought this was an appeal. What are we hoping to accomplish?

Paul Moss: I was hoping to have you at least talk from a high level, numberswise, the adjustments as a result of the reductions in the workforce. That is what I would like to hear.

Bill Hartman: The basics of it are that our budget was cut in the neighborhood of 21% and that is the number of personnel that we cut. The cut was from all levels of management and workforce. We eliminated nineteen positions in maintenance and six positions in administration and engineering. We had been carrying eleven full-time, part-time and we reduced that to five.

Paul Moss: Your 2008 budget that was originally submitted was what?

Martha Starnes: We have only submitted one budget.

Bill Hartman: We submitted an earlier budget and then we resubmitted based on the personnel changes.

Paul Moss: So the original budget request for 2008 included...

Bill Hartman: It included these positions but until we decided how to inform people or how to handle the layoff.

Paul Moss: I understand that. What was the number?

Jackie Scheuman: The original was \$8.1 million.

Paul Moss: \$8.1 million. Thank you. The revised number is what?

Jackie Scheuman: \$7.2 million.

Cal Miller: Can you, for the folks that are watching, what the factors were that resulted in a reduction of your budget by 21%?

Bill Hartman: It was due to losing 110.48 miles of road due to annexation.

Cal Miller: How does that calculation work with respect to funding that comes to the County Highway Department?

Bill Hartman: Generally it is somewhere between \$8,000 to \$10,000 a mile for MVH and LR&S and wheel tax and surtax depending on license plate sales.

Cal Miller: So there is a state formula associated with the amount of road that Highway Department maintains?

Bill Hartman: Yes. It is about a two-page formula.

Paula Hughes: The Chief Deputy from the Auditor's Office just handed me a shortcut version of the Highway budget indicating that there have been seven positions cut for 2007 and twenty-four for the 2008 budget.

Cal Miller: What are your thoughts moving forward, about how this is going to change what you all do? I know the responsibilities of those roads are no longer primary to you. What do you think the taxpayers can expect to see, as a result of what you had to do, based on the formula for how the funds are allocated?

Bill Hartman: We are going to try to keep the level of services as close to the same as possible. A lot of the miles of roads that we lost are subdivision streets that don't require much of our maintenance. Next year will be an experiment. We have adjusted the budget according to the percentages and staff and we are going to have to be more efficient with what we have. We talked this morning that some of the roads that we used to use hot asphalt mix on we are putting chip and seal. We are going to have to see how that goes. I think it could be two or three years before we really know. Reducing some of the trucks may slow down the snow removal a bit but we are hoping not too much. I can't tell you until we get there.

Paul Moss: It is essentially a transfer of authority for responsibility over to the City in terms of the annexed areas.

Bill Hartman: In addressing the snow removal, in particular, a lot of subdivisions hire their own snow removal. We didn't do very much there. We were able to reap

the benefits of the tax dollars but now with the 110 miles, we might have maintained 17 for snow removal.

Roy Buskirk: Basically, your budget from \$8.1 million to \$7.2 million, was this the reduction of the twenty-four positions? You never went through and reduced other items?

Bill Hartman: Every line item in our budget was reduced proportionately from last year to this year.

Roy Buskirk: You only reduced it \$900,000.

Jackie Scheuman: Not from last year. That is from what they originally submitted. Last year's budget was \$9.7 million.

Roy Buskirk: But with reducing twenty-four positions, you reduced the budget by \$900,000.

Paula Hughes: No.

Bill Hartman: We reduced all of our line items also. It wasn't only staff.

Paula Hughes: That number of positions isn't just a difference from what they submitted this year.

Bill Hartman: We had to do some transferring around between some of the items and some of the items might have to be eliminated. We will manage it the best we can next year and see what the outcome is.

Paul Moss: Obviously, it is the prudent thing to do in terms that there is a reduced amount of need for the services because of the annexation. Whether it is the appropriate number in terms of the reductions or not, I don't know but for purposes of this meeting, we should save that for another day. There is no appeal here or anything along that line and if we want to have a conversation about how much the reduction percentage should be. I don't have an interest in having that argument at this point. We still have people waiting to get their appeals. You won't take offense to that, will you?

Bill Hartman: No.

Darren Vogt: I have one question. Can you explain to me the new process for doing a gravel road? You said, at the last Council meeting, that there is a new process for taking a gravel road to a chip and seal road.

Bill Hartman: We use basically the same process where we go through a petitioning to dedicate right-of-way so that we have room to cut side ditches. When we get to the

point where we have one or two holdouts and we feel this is a viable situation and is a road that ought to be done...

Darren Vogt: And what determines that?

Bill Hartman: We have a point system. The points are based on the number of homes, number of petitioners, potential traffic count and continuity with other paved roads. If that adds up high enough, we might pursue condemnation on one or two parcels in order to complete the petition and conversion of the road.

Darren Vogt: So help me understand how those priorities are set versus traffic count, numbers of homes and those kinds of things.

Bill Hartman: Those each have a point value and I don't recall what the total number of points are required to move ahead but I can get you a copy of the policy and meet with you to go through it.

Darren Vogt: Okay, great.

Paul Moss: We are in kind of an odd position here again because there is no appeal. There is a question and I think it is legitimate in terms of understanding a little bit more about how the reduction was arrived at. I am not particularly comfortable with having that discussion right now because it could go on for an awfully long time. Is everybody okay with trying to move this forward?

Paula Hughes: Yes.

Paul Moss: Thank you for being available. Health Department is next.

Mindy Waldron: Mindy Waldron, Administrator in the Health Department. I have no appeal but I assume you have some questions.

Darren Vogt: Probably not. This is another issue that I brought up that these are vehicles, based on mileage and maintenance, don't need to be replaced. She has saved money to replace them in her line item and at some point, wanted to replace them. They are probably not in a position where they need to be replaced. That is the issue at hand.

Paula Hughes: The County Services Department has issued...

Darren Vogt: And if you read that, it just says that the vehicles are notorious for having problems and a couple of them have issues. Again, this is my issue only and I stand alone on an island, walking a plank.

Cal Miller: I don't know that you are alone in that. Is that Mr. Pray back there? Why don't you come on up. I thought the reason was that we wanted to get a person

who knows the vehicles and has some continuity in this decision. So what was the result of your review of the cars?

Larry Pray: When I was here last month, we talked that there were going to be some exceptions to the rule about car replacements. This is an exception. We know that these cars are not reliable. It is a matter of getting rid of a thorn. It is a matter of getting rid of them before there is a disaster. We know it is going to happen. They are unreliable and scary.

Mindy Waldron: They don't start in the winter.

Darren Vogt: I would be careful classifying them as scary. They are not unsafe for our County employees to drive.

Larry Pray: That is not true.

Cal Miller: Let's also be conscious of the fact that we are talking about a well-known product with a fairly influential company. I don't want to get them sideways with the County. Let's just keep the characterizations as moderate as we can. I don't know what kind of trouble we can get in by dubbing those cars scary. Let's hear what your concerns are and why the reliability concerns would warrant a replacement now.

Larry Pray: It is not that the cars are getting older is the problem. They have been a problem all along. One of the biggest problems that have left some of our drivers stranded is the fuel gauge. They are not accurate and have never been able to get them fixed, even when they were under warranty. Most of your drivers have to write down how many miles they have driven since they last had gotten gas. Now, since we have gone to a pool situation where there are multiple drivers, there is no way for them to really know exactly how much fuel is in the tank. Another big problem is the air-conditioning. When the air-conditioning goes bad, the entire inside of the car has to be removed. Dashboard is what I am talking about. The instrumentation has to be removed. When we do that, to ward off other problems, we replace a couple of other components at the same time. They are the biggest no start vehicles in the winter time.

Cal Miller: Setting those considerable issues aside, when would you expect that these cars would be in need of replacement just because it is time to replace them? Are we doing this a year or two premature?

Larry Pray: The format that we composed here in the...

Cal Miller: I think I got those this morning and I have been sitting here...

Roy Buskirk: That is why it is here.

Cal Miller: Okay.

Larry Pray: I have a general rule that this is in intermediate car because it is a V-6 and it has 130,000 miles.

Roy Buskirk: Most of these cars have like 68,000 to 78,000 miles but it is just the fact of what they are.

Larry Pray: It is just the fact that if the money is available now to replace them, now is the time.

Cal Miller: Based on them having 78,000 miles, when would you expect them to be at 130,000?

Mindy Waldron: How many years?

Cal Miller: Yes.

Mindy Waldron: These are two 1999's and a 2000. If you are going by the ten-year standard, we have a few years left to go. I would like to add a couple of comments as to the vehicle uses, which I think is important. What these cars are used for, we don't have an opportunity to grab another car. We have only twenty-three vehicles in the fleet but we reduced our fleet by eight when the new policy came out. It left us with a little less flexibility with our emergent needs that we use some of the vehicles for. We cannot use a personal vehicle for things such as transporting a patient with TB or folks with requirements for certain testing to be done. We don't make our staff use their personal vehicles for transporting those cases. These three are used for those purposes because they are parked outside and not in the garage. We usually use our older vehicles for that purpose. These three have no-start problems in the winter as well as periodic maintenance. They are not at a point of disrepair. My proactive stance for replacing them now is because we had the plan and saved our money to do that and we don't waste productivity. When we need to transport a patient and don't have a lot of flexibility to take another vehicle, it needs to be reliable. They transport to other cities which is difficult when a car breaks down in another city. We are trying to be proactive with these three vehicles. We had not replaced vehicles until last year, since 2002. We are very efficient in prioritizing the use of the vehicles and we do try to be very careful about when they do need to be replaced. These vehicles were not only put on because of the problems that we have had, we have had problems since the first day. Larry and I would always confer and make those decisions yearly on what needed replaced or repaired. These vehicles were being replaced because of their uses and so that we always had reliable transportation for those three transport vehicles. It is more than the type of vehicle that they are.

Roy Buskirk: They are basically 10,000 miles a year vehicles.

Mindy Waldron: I did bring information if you needed to speak about the average miles but it is the use that is important to us. These would have to be replaced before they got to be ten years old. These cars are carrying car seats and are difficult to put in and out of a loaner vehicle. We had strategically planned that for five years but we

would live either way. I just wanted to be sure that you knew they were not in a state of disrepair.

Darren Vogt: There is obviously a history with these vehicles.

Mindy Waldron: When I say car seats, I mean for transporting patients and not for personal use.

Paul Moss: Does anybody have any other questions or comments? Thank you very much. Randy, your timing is impeccable as always.

Randy Brown: Good afternoon folks. I know you have had a long day. I am Randy Brown, General Manager of the Coliseum. To my right is CJ Steigmeyer, CPA, Manager of Finance Administration. Behind me and to the left is Mac Parker, President of the Coliseum Board of Trustees. We will do everything we can to answer all of your questions. We don't spend money until we earn it. This is one of the most successful facilities of our type in the country. We continue to be recognized in a number of different levels. Last year, with over a million people and our new sports franchise for the complex, we keep going. A couple of key points and then I will let CJ speak to the 100 level. If you look at the 200 level, there are no changes in the operating fund. The 300 level has no changes. Overall, the 200, 300 and 400 levels have a net decrease. I will be happy to answer any questions.

Paul Moss: Any questions?

Cal Miller: Are you going to let CJ speak of the 100 series?

CJ Steigmeyer: In terms of the 100 series, which is the payroll and personnel, the increases have all been due to the health insurance costs. All of the other changes that were made are due to step increases. Everything was directed by the Auditor's Office on what was proposed by Human Resources in terms of employee allocations. Ultimately, there is money there depending on how the salary allocations are changed if they are changed. Other than that, there are really no changes in the 100 series. There was one line item, now that I think about it, the part-time line item that in our capital plan from one of the budgets that we also have the 257 fund. The scoreboard renovations would do potentially a matrix of video that would need employees to run that piece of the scoreboard. There is a new line in the 100 series that would cover those individuals.

Paul Moss: Did anybody find what page this is on?

Lisa Blosser: 119

Paula Hughes: I would like to ask about, now that we know for certain that the Harrison Square Project is moving forward and the Wizards will not be playing at the current stadium as of 2009, correct?

Randy Brown: Yes, 2009.

Paula Hughes: Obviously that doesn't impact the 2008 budget but have you started projecting? When you were here last year, you were looking into facility upgrade negotiations and those kinds of things. How have you changed your thinking and what are your plans for the baseball stadium?

Randy Brown: I am not sure if the Council is up to speed with CSL so I will give a complete synopsis on that. We had a task force that included Commissioner Bloom, Paula Hughes, representatives from IPFW and the City. That group hired CSL, a nationally known consulting firm to look at opportunities for Memorial Stadium. They were looking at revenue opportunities and overall the determination was made that there are very few possibilities for the stadium and certainly none that would take the stadium to a break even. The recommendation from the group was the best use would be to level the stadium versus having a facility that could lose \$160,000 to \$300,000 a year. We have started the process of budgeting for demolishing Memorial Stadium and that will probably be late 2009. That will be based on the construction of the new stadium. We want to make sure that the Wizards are not left without a place to play. We do have construction estimates, demolition estimates and turning the current stadium site into additional parking with some utilities so that we can relocate car sales, midways and things like that. That cost is approximately \$2.2 million at 2009 costs. The funding mechanism for that is through the Professional Sports and Convention Development. We have some projects that would have been funded through the Professional Sports fund that have been shifted for 2008 and will be shifted in 2009 from Professional Sports to Supplemental Food and Beverage so that we ultimately have the necessary \$2.2 million. The other part of what you are getting at is what are the ramifications going to be on the Coliseum's general budget? We have spent a lot of time looking and talking about those ramifications. With part-time staff, you can cut back accordingly. The question will be with full-time staff. We are revenue driven so it will depend on what activities take place more during the summertime or the heart of the baseball season. If you don't have the revenues what is the cost ramification? Believe me we will be doing some adjustments. To tell you today what those are, we are not far enough along to know.

Paul Moss: Councilman Vogt?

Darren Vogt: Is the \$2.2 million demolition cost a net or a gross? I am assuming that there are parts of that stadium that you can salvage. Seating can be sold. Scoreboard can be sold. Lights can be sold.

Randy Brown: It is a gross cost. There may be some salvage costs, for instance aluminum from bleachers. We are going to reuse the bleachers that are on the third base side. Because of events like Gold Wing where we do field activities in the parking lot, we can relocate that bleacher unit so that it runs parallel to Coliseum Boulevard and create a great staging situation for us. That will then give us the

ability to go after cheerleading camps and other things like that. We have talked to some Little Leagues and other potential purchasers of field lights. The problem we have with the lights is that they are fifteen years old. There is not a lot of life left in those. If we had renovated the stadium, we would have been replacing those. The plastic seats are pretty much at the end of their life. They are a maintenance issue. I don't know, to what extent, someone may want to purchase those. If there is an opportunity to sell off some of the fixtures to help bring down costs, we will certainly do that.

Paul Moss: Councilman Miller?

Cal Miller: Would you explain a little more, the revenue stream that is being built up for the demolition costs and what is the origin of that and who pays that?

Randy Brown: The fund is called the Professional Sports and Convention Development Area. This fund was created prior to the construction of Conseco Fieldhouse. It actually had a funding shortfall for Conseco. We were contacted by the Mayor of Indianapolis and Loren Robertson and we lobbied in conjunction with Indianapolis. Essentially a TIF area, the revenues are state income tax on employees, county option income tax on employees, sales tax and there are a couple more.

CJ Steigmeyer: Food and Beverage is also included but they...

Cal Miller: Which employees are getting the county option and state?

Randy Brown: It is those employees that would call the Coliseum boundaries. In this case, it would also include across Coliseum Boulevard. That is our names development area. You have to give it a geographic area, call it out and it has to be approved by the State budget agency. That has been done and is our geographic area.

Cal Miller: So the employees or the employer?

Randy Brown: There is no extra cost to the employer. The revenues still go to Indianapolis and they flow back into the fund.

Cal Miller: Okay. I got you.

Roy Buskirk: It is almost a TIF.

Paula Hughes: But it is not a property tax. It is income and sales tax.

Cal Miller: How has that been utilized before the proposal to raze the stadium?

Randy Brown: It is by and large for capital improvements. The whole idea with the State, the concept was, to spend money and revenues from the facility to reinvest in the facility to generate economic impact.

Cal Miller: Does it have any balance now or is it something that is fairly new?

Randy Brown: This has been in place for seven or eight years.

CJ Steigmeyer: Since 1999.

Cal Miller: So what have you been using it on?

Randy Brown: For instance, the new roadway was funded. The new light going in on Parnell is another one. The parking lot renovation that we did several years ago was paid for by the Professional Sports Area.

Roy Buskirk: What are the boundaries?

Randy Brown: The Coliseum property itself in addition to the county land across Coliseum Boulevard.

Paula Hughes: So the land that the new hotel is going on, those employees will be...

Randy Brown: Those revenues will come to our development area.

Paula Hughes: In Indianapolis, it has a bigger impact because it includes all of the professional sports teams' salaries.

Randy Brown: The revenue is capped at five dollars per person based on the county population. We have an understanding with the Grand Wayne Center that they get their revenues and we get our revenues. If our totals were to take us close to the cap, the maximum would be two-thirds, one-third and is based on attendance. The Coliseum would be the two-thirds.

CJ Steigmeyer: The Grand Wayne is also a part of this development area as well.

Randy Brown: You are only allowed to have one development area per county.

Paul Moss: What sort of projects are not going to be done, if any, with that specific money as a result of needing to divert to the demolition of the stadium?

Randy Brown: Some items that are being done this year will be paid from the Supplemental Food and Beverage. A snowplow purchase, arena lighting, re-lamp upgrade, computer signs and equipment, a new mower, platform tables...

Paul Moss: That really wasn't my question. What have you had to reprioritize, I guess, would be a better way to put it.

Paula Hughes: I think I have the answer to this. The intention was that those revenues were going to be used to fund a lot of the improvements that would have needed to have been made to the Wizard Stadium if they had stayed there past 2009.

Randy Brown: To some extent, that is correct.

Paul Moss: Okay. Do you know if the \$2.2 million is generally included in the number for Harrison Square?

Paula Hughes: I would say no, it isn't.

Randy Brown: The thought is that this \$2.2 million that is being generated through Coliseum sources is perceived to be viewed as the County's commitment.

Paula Hughes: The County's participation in Harrison Square.

Paul Moss: Okay. How did we commit to that participation? I don't recall that conversation at all.

Paula Hughes: We have not overtly committed to that. It came up as a topic of conversation when we were meeting with the task force and CSL and were evaluating the opportunities for reuse of the existing stadium. The City has said that if there needed to be an endowment fund or just different mechanisms and at that time, Commissioner Bloom and I said that there was a hint that the County could be approached about participating with Harrison Square. We were fairly quick to point out that we would be undertaking some expense if the existing stadium were abandoned and that would be our participation. It is nothing more formal than that.

Roy Buskirk: But the City, at one time, was going to put some funds into a trust for maintenance for Memorial Stadium.

Paul Moss: I believe that is off the table.

Roy Buskirk: Yes.

Paul Moss: I think the general frustration out there is, to use a different word than you did, covert agreements that have been made. But, it is what it is. On the hotel that is being built out there, how is that being funded?

Randy Brown: It is all private development.

Paul Moss: So you are not receiving anything from the Grand Wayne Center or anything along that line to help.

Randy Brown: We are not receiving anything and we are not paying anything. A very positive situation with that is Focus Hospitality is also paying the total cost of the educational component as well as all of the cooking equipment part of that. That is a significant action on the part of Focus Hospitality.

Darren Vogt: I have a question since we are talking about the hotel. The new roadway project looks like it is coming along. Is that road eventually going to go all the way through California and around and connect back into Clinton? Or is it a dead-end to California permanently?

Randy Brown: Good question. When we started this process, we decided that there would be a relief so that Coliseum traffic wouldn't have to get on Coliseum Boulevard. Because of the rating of the intersections of Coliseum, Parnell and Coldwater, they are all above design capacity. There are two phases of construction. The first phase is what you see and is nearly complete. It goes from the Coliseum lot to California Road. The second phase is a City project and takes the construction from California Road and connects to Medical Parkway. There is a design estimate on that and the cost is somewhere around a million dollars. The first phase will help us. We had issues with the tunnel and vehicles getting stuck but we think that overall the traffic movement will be improved over what we had in the past. We won't see the full functionality of the new roadway until the second phase is complete. At the present, the City has not put a timeline on funding that.

Roy Buskirk: But it is on the drawing board.

Paul Moss: Do you believe that the eventual destruction of the stadium and the lack of those seventy games, even anecdotally, will have an effect on that corridor and what is the effect going to be on those businesses?

Randy Brown: There has been a lot of discussion and I have received quite a few phone calls. The businesses around Coliseum Boulevard are not pleased with the change but to tell you what the impact will be, I can't. The Wizards' average a little less than 2,000 people a game and so time seventy games, you are looking at the loss of 140,000 to 150,000 people. One of the things you find too is that it isn't what percentage of people are coming to the games are frequenting restaurants. Because of picnics and other things, it is not a large percentage. It will be a loss but it will create some opportunities for us, at the Coliseum. It will take a couple of years just based on the booked business to fill that void. We have started that process already. The timing of the hotel is great for us. The strategy of how we book the property and it is going to give us approximately 700 additional parking spaces. We are going through some discussions with the City because they are asking us to put in a retention pond. We own all of our own apparatus for storm water going into the river. Those discussions will continue but that has had some impact on the cost.

Darren Vogt: If we could, I noticed one thing on the budget and that is overtime. You have been spending about \$22,000 in 2006 and the year-to-date in 2007 is \$21,000. You have budgeted for 2008, \$90,000.

Randy Brown: We have a new basketball team, the Ants. Our arena traffic, right now, booked to them, the Komets and IPFW is about five nights a week.

Darren Vogt: Okay, so that is where it is coming from.

Randy Brown: We are looking at another option and we may end up coming back to you. There is a contract service that we used a couple of times. It is not the Community Corrections and it seems to be working out well. They have a good work ethic and show up for work so that may be an option that is more cost effective.

Paul Moss: Any other questions or comments?

Roy Buskirk: That last statement that you made, it would be great if you can utilize that.

Randy Brown: We are always looking for better ways to do things. Another example is that in the loss of the stadium, the contract service for mowing the grass. Everything is on the table now. 2009 may seem like it is some distance away but you will be amazed at how fast that is going to creep up on us.

Paul Moss: Thank you. I appreciate your time. Mr. Parker, thank you for joining us.

Randy Brown: Do you need us to stay?

Paul Moss: No, I don't think we do. Is there any value to reconvening tomorrow to have an overall discussion? I could see devoting some time to that or do we want to try to hash through it yet today?

Paula Hughes: I will not be here tomorrow.

Patt Kite: Let's go today.

Paul Moss: There is some important stuff that we need to go through. I think it is going to take some time.

Cal Miller: I would like to get a sense of what we would be missing out on without your (Paula) input and we are going to be making some pretty heady decisions. I would prefer that we plow on. We need everybody here that has participated in this process and want to give you the fair opportunity to do what you want to do. What do we need to accomplish yet today to conclude this session?

Paula Hughes: I don't think it is quite that bad. I suggest that we take a ten minute break because we have been sitting here for three hours now. At the very least, I might have the most to add on the personnel issues. Can we start at the beginning and talk about how we want to handle some of that?

Cal Miller: Before we break, can we identify what we are set out to accomplish today?

Darren Vogt: What is the framework?

Paul Moss: I think we need to look at the total number that we've got left over. We need to look at the appeals and give a thumbs up or down. We have a whole list of appeals that we need to go through and there are the miscellaneous issues. We have a lot.

Roy Buskirk: I think some of the items, a couple of the capital items that they are wanting, can be handled this year.

Lisa Blosser: I would back them out.

Roy Buskirk: There are items that need to be put in the Council's budget.

Paula Hughes: Correct.

Roy Buskirk: I am optimistic that we can get it handled in an hour and a half.

Darren Vogt: The game plan is what we need to set. The appeals, the personnel issues, CEDIT and what else?

Paula Hughes: Reconciling the General Fund.

Paul Moss: There are other issues still hanging out there that I won't go into a whole lot of detail on where some money may potentially be needed for building project, GPS. Nobody has decided anything there.

Paula Hughes: We don't have additional information.

Cal Miller: So appeals, personnel internal equity piece and also raises and the CEDIT discussion.

Paul Moss: So you want to take a little break and come back and try to tackle some of this?

Cal Miller: I would while we have everyone here.

The tape was turned on during Mr. Dumford's presentation.

Brian Dumford: Assistant Director's position, I wanted to move that onto the grid so that it was consistent with that department. In looking at that, I revised the grid itself and opened up some steps between the different grid levels. It resulted in increasing salaries for the management level staff. It increased the space between each level. It was originally about \$2,500 from the dispatcher to the second level of supervision. It is something that we would probably want to take a look at.

Darren Vogt: And you came up with the difference in those the same way the rest of the grid, the percentages are the same as the SAMS or the COMOTS.

Brian Dumford: Correct. I used a similar percentage between levels that was comparable to the whole PAT and LTC grids.

Darren Vogt: There are dispatchers, within Community Corrections, that...

Brian Dumford: There are a few dispatchers in Community Corrections that I left out are in the OSS group. I want to take a look at that again and see if we can't put them on the same grid or why there is such disparity.

Darren Vogt: That is one area that I thought needed to be pulled out from my ability to say that I am good with everything. Talk about the sworn officers.

Brian Dumford: The sworn officer piece, for the internal equity with sworn officers, we looked at the current longevity system as one percent per year based on their years of service. There was no cap on it. What I wanted to do for internal equity and had been suggested by a previous sheriff, was look at putting the sworn officers on a grid similar to county employees. The civilian county employees receive a 30% salary increase over a twenty year employment period as opposed to a 30% increase that sworn officers get in thirty years. By putting them on a grid situation, the sworn officers would receive the same amount of increase in the same timeframe. The Sheriff has not looked at this yet. It has been strictly a Personnel Committee issue. Do you think we need to have a discussion with the Sheriff and show it to him and see if it works for him as well?

Roy Buskirk: Do you have another one of these Brian?

Brian Dumford: Yes I do.

Darren Vogt: Those two are the two that I am not comfortable with. I would prefer to pull money aside for those. But the General Funds and the grids and the confinement officer grids, I feel that we have to move forward and put some of this stuff behind us. These have been analyzed, looked at, appealed, re-evaluated and re-evaluated and put through its paces.

Roy Buskirk: The \$576 includes the confinement officers from a POLE 2 to a POLE 3?

Brian Dumford: The \$576,926 includes civilian confinement officers moving up one level and it includes the command staff of the jail also moving up one level.

Roy Buskirk: So you changed that since we discussed it. What you showed a couple of days ago was not...

Brian Dumford: The one showed the command staff moving up two levels each and in subsequent discussions, I wasn't sure if you were 100% cool with the two levels. Also, in talking with Councilman Vogt, I wasn't sure if that is what we discussed or not so we put it back to one level each.

Paul Moss: This is exactly the type of detailed question that I think would be wise to get together and have the Personnel Committee one last time. I wasn't able to attend a couple of the appeals committee meetings. The attendance for everybody was kind of sporadic, I think. This is such a huge issue because this has compounded over time and we have to get it right.

Roy Buskirk: What I would like see is the appeals committee meet one more time next week followed by the Personnel Committee and other members of Council that want to join us. Let's get this hammered out. To keep this moving forward today, I suggest that we put two million in the Council's budget to cover any adjustments that we may need on this.

Paula Hughes: For internal equity total?

Roy Buskirk: For internal equity, appeals and everything. We also need to discuss any cost-of-living increase for county...

Darren Vogt: What is your justification for \$2 million?

Roy Buskirk: I just want to make sure there is plenty because we were talking about Chief Deputies, department heads and exec...

Paula Hughes: That doesn't include any internal equity adjustments for executives.

Darren Vogt: I don't think we are in the analysis stage for those.

Brian Dumford: The reason that I put on the summary that those are to be discussed at a future Personnel Committee meeting is because I met with Paula and Roy on Monday of this week. The department head, exec, Chief Deputy and elected official proposal that had been put forward in May had a longevity component with it. Since that time, I have re-analyzed it and re-tooled it and pulled the elected officials out and looked at a different way of doing department heads and execs. This is not the correct form to roll out something new or some new ideas and so that is why I have asked to schedule a Personnel Committee meeting in the near future.

Cal Miller: It seems to me that the one issue we can decide today is and doesn't require reconvening the Personnel Committee is whether there will be redlining or no redlining. That decision has nothing to do with what the ultimate number is going to be. That decision has to do with what our approach was and what we think would be correct. If we want to decide that today, then we can decide whether we put \$1,546,000 aside until the final analysis is done or \$1,388,000.

Darren Vogt: Auditor Blosser, how much timeframe do you need to prepare the salary ordinances? We have a thirty day window, roughly, to get everything done.

Brian Dumford: I do have everything broken down by account line item number.

Jackie Scheuman: It needs to be adopted in September.

Lisa Blosser: How long does it take you to prepare it?

Jackie Scheuman: Well, it is 1,700 line items or 1,300.

Lisa Blosser: They just need to know how much time you need.

Jackie Scheuman: Two weeks, I would say.

Cal Miller: Is there any reason not to decide the redline issue today?

Paul Moss: No, that is a philosophical question that I think we can answer today. Then within the next two weeks, Personnel Committee can sew this up and come back with a...

Paula Hughes: I will make a motion so that we can have some discussion. I move that redline salaries as a part of the reclassification process and internal equity process.

Paul Moss: Is there a second?

Paula Hughes: That's fine. It answers the question.

Paul Moss: The motion dies for a lack of a second.

Cal Miller: Let's discuss that. I don't know that it has been completely fleshed out. I have some reservations and concerns for the people that wouldn't be redlined. I would like to talk that through. Does that mean that this Council is voting for no redlining?

Paul Moss: There is no motion.

Cal Miller: Okay, then let's talk about this. It seems that what we set out to do was to undertake this internal equity study so that folks were placed appropriately on the grid and that they were being paid commensurate with what they were doing vis-à-vis what other people were doing in similar capacities. I hope that we have achieved that because there has been an appeal process with sixty-nine positions appealed. How many of those appeals were granted?

Paul Moss: Over two-thirds, wouldn't you think?

Brian Dumford: We started with 102 classification changes and now we are at twenty-one, so probably, roughly half of them.

Cal Miller: I asked Mr. Dumford to provide Council with a specific sheet so we could see what the impact was, not on the individual per se, but on the position. If the decision was made to not redline,...

Paula Hughes: Not redlining means that employees whose classification came back at a lower level than what they are currently being paid at, would have a pay decrease that would be effective with this.

Cal Miller: That is correct. The spreadsheet that Mr. Dumford is handing out is the decrease for those positions. How many people are in the redline category?

Brian Dumford: There are twenty-two employees in the General Fund.

Cal Miller: We would potentially be leaving twenty-two employees being paid more than what we believe the classification resulted in. On top of that, there are at least four or five of these are at \$8,000 or more and the highest differential would be \$15,000 than what this process has dictated. On the other hand, we have the reality that these individuals are supporting families and counting on income etc. That is how I see the different components of the discussion. I am having a hard time reconciling why we undertake this process with a straight face and then intentionally leave people in a position that are getting more money than what we value the job.

Darren Vogt: That goes to the employee sitting next to them and doing the exact same job or somewhere else in the county doing the exact same work and dedication to the county and not getting paid that dollar amount.

Cal Miller: What is the practical impact going to be of the decision that results in placing them in a salary lower than what they have been getting and not protecting the salary by redline? Those people that are going to be making \$8,000 or \$15,000 less, are they going to be leaving the County?

Lisa Blosser: They are doing the same work as what they did the day before. You are paying them that much less, I think I would.

Brian Dumford: If I could, just the seventeen and ten are anomalies. Those are within the Maintenance Department and we have been discussing with them a departmental reorganization.

Cal Miller: I am not sure what you mean by seventeen and ten.

Brian Dumford: I am looking at total cost including FICA and PERF.

Cal Miller: Okay. I am just looking at the impact to the employee.

Darren Vogt: I think the silence tells the stress that is on all of us to make this decision. It is not an easy decision. You are dealing with people's incomes but I go to the other side of those folks who for the next three years are not making the same amount of money. If we don't come up with some sort of annual raise every year, who knows when that will catch up and that is assuming a three percent annual increase. History shows that we haven't done three percent annual increases in the past. We did two last year and two the year before. That changes the potential for when the redline and the salary grid catches up to each other.

Cal Miller: This problem is not without some precedent in the County. If you look at the grid system for the Adult Probation officers, the State mandated minimum salaries and at that point, when they placed them on the grid, a number of them were paid more than the minimum. I don't know if we can draw a direct comparison because the State may have had a different objective. They were trying to get a minimum salary requirement and that doesn't necessarily suggest that it is the same process that we undertook in what we believe to be the correct placement on the grid. In that situation, Adult Probation officers were redlined at their current salaries and weren't expected to take a significant decrease or were expected to wait without pay until it caught up. There has been precedent to that but I draw caution to that because the objective was different.

Brian Dumford: Also, keep in mind, from the health of the organization, this Council has been very fiscally responsible in making cuts where they needed to be made. From an organizational standpoint, those are real dollars. From the employees' standpoint, if you are assuming a three percent raise across the board, that is for the most part a cost-of-living raise. If we are ever able to address the external equity portion of this, then the timeframe will be much shorter.

Cal Miller: As a Human Resource Manager, to put you right on the spot, how are you going to address when someone walks into your office that has the same exact job classification and they say how can you possibly reconcile why someone with my classification is getting paid \$6,067 more than me?

Paul Moss: He'll say that Council made me do it.

Brian Dumford: The only true explanation is that some things are fair and some things are not fair and that this job was reclassified after the person had started. The job will catch up to them eventually. That is the best answer I have.

Paul Moss: Out in the private sector, there is some middle ground. You could always put a timeframe on redlining so that people have a pretty clear knowledge that in six months or a year or whatever, that their job is going to be paid differently. The expectation would be that they are going to understand that fully and they can stay in that position in the reduced pay, they can transfer within the County to somewhere else or go find another job. I am not comfortable redlining right off the

bat. I would be comfortable saying that we are going to redline through 2008 or something to that affect. We are affecting people that are probably trying to raise families and things of that nature so we need to be sympathetic to that. The flip side of the coin is that there are substantial dollars here. The dollars are important but we are trying to correct inequities but while correcting the inequities, we are creating new inequities by doing the redlining. I would be in favor of some sort of a cap. I don't know if that needs to be June 30, 2008 or December 31, 2008. That would be my preferred approach.

Darren Vogt: That is a very interesting concept. So you are saying is pay them their current salary until the end of 2008 and then they revert back to whatever...

Paul Moss: It gives them time to adjust and decide if they are going to stay in the position. We could basically say that on January 1, 2008, there is no redlining so they have time to adjust. We are heading into the tail end of August and so it is probably not enough time to adjust.

Darren Vogt: Let me throw another wrinkle into the thought process. If we three percent raise or percent whatever on the rest of the grid. Where do we go with those folks for 2008?

Paul Moss: Redline is redline.

Darren Vogt: Redline them through 2008 and then ...

Roy Buskirk: After that, they would be reduced to the proper grid position. Eight of these, even if you went with two percent, they would probably be off the redline that is on this sheet. They are just very little over the redline. Another interesting thing is that eight of these are in the Highway Department and how many of those jobs have been eliminated? You would be getting down the number of people that would be affected. A lot of them in the bottom part would be taken care of in 2008 if there was a three percent raise.

Paula Hughes: Let's be realistic though, we are not giving a three percent across the board raise this year and probably not next.

Roy Buskirk: Well, no.

Paula Hughes: We certainly don't have the funds to do it this year.

Paul Moss: I do think that is a separate discussion.

Paula Hughes: It is, but if you are going to base decisions on that, it is not realistic.

Paul Moss: Are you comfortable with the thought of setting out there?

Brian Dumford: I agree that you should give it a year.

Paul Moss: Would someone care to make a motion?

Cal Miller: I will make a motion for the positions for the internal equity that are demonstrated to be over and getting more pay than what the position is placed on a grid be redlined up until December 31, 2008. On January 1, 2009, they revert to the salaries in which they are placed in the grid.

Brian Dumford: Also, if I may, I would ask you to amend that to say that any new people that are hired in 2008 would start at the requested rate.

Paul Moss: That is a given.

Paula Hughes: That doesn't need to be.

Cal Miller: At the extent that it doesn't need to be included as a part of that.

Paul Moss: If you are redlining, you are redlining the person.

Tera Klutz: Thank you for the salary ordinance.

Roy Buskirk: Do you want it on?

Tera Klutz: We will write what he said.

Cal Miller: There is no second to the motion.

Darren Vogt: I'll second.

Paul Moss: Any further discussion?

Patt Kite: I apologize, I had to step out. I heard the tail end of it. Could I hear the motion again?

Cal Miller: Yes, to try to address the harsh reality of the fact that there are a number of positions placed on the grid during the equity piece should be paid less than what they are getting. To soften the blow and give the employees time to react and perhaps look for a different job in the County or accept the reduced pay or leave the County employ, we are redlining those people at their current pay until December 31, 2008. Then on January 1, 2009, those positions will be paid commensurate with where they were placed on the grid. The redlining will be off to the extent that their pay should be reduced.

Paul Moss: There is a second. Is there any additional discussion? All in favor please signify by saying aye. All opposed same sign. The motion carries 6-1 (Hughes).

Roy Buskirk: So that means, in essence, for this year if the salaries would not be with redline, it would be the \$1.546 million. And to have some hedge room, this is why I was saying \$2 million.

Paul Moss: It can always be adjusted after the fact. Correct?

Jackie Scheuman: You already have \$3 million in your budget.

Darren Vogt: That \$3 million includes...

Roy Buskirk: We are changing it to \$2 million.

Darren Vogt: But the \$3 million would include any salary increase. This is not...

Paula Hughes: It is only internal equity.

Darren Vogt: Now we should have a discussion of salary increases for the employees. This is not going to affect every employee. We need to discuss the salary of every employee and whether or not we make an adjustment for 2008.

Paul Moss: The \$3 million does not, I just want to refresh my memory, does not include the step increases?

Paula Hughes: Yes, we did that the last time.

Jackie Scheuman: Their allocations were adjusted for step increases.

Paul Moss: So that is a no? The \$3 million doesn't include...

Jackie Scheuman: Right. You don't need to worry about steps.

Paul Moss: All right.

Roy Buskirk: So what is one percent?

Tera Klutz: Of what?

Darren Vogt: \$750,000.

Roy Buskirk: Yes, because we just changed it, didn't we?

Tera Klutz: You have to know what you want to do.

Darren Vogt: This is where it gets very...

Paul Moss: She is leading you into the trap.

Tera Klutz: No, I am not. You have to know if it is with reclass one percent or without reclass one percent.

Paul Moss: We need to know with the reclass. Assume the reclass.

Tera Klutz: Okay.

Paula Hughes: A \$2 million reclass and total salaries.

Paul Moss: The tougher part, in my mind, is assuming no external equity.

Paula Hughes: \$487,000 with one percent.

Darren Vogt: Okay, \$487,000 for each percentage point.

Paul Moss: Again, I think, the tougher part is if you make, let's assume the internal piece is done, then you have the external piece that we have talked about. That is another discussion that is dramatically more expensive than the internal. That one percent would also change.

Tera Klutz: Right, if you decided to do something not like just a raise or cost of living. Just an internal equity?

Paul Moss: My point in bringing that up is that I think we should all be comfortable with just assuming the one percent based on the internal equity component and nothing else. We may have to adjust on down the road.

Cal Miller: Is there going to be an external piece for 2008?

Darren Vogt: I don't see that.

Cal Miller: Can we decide that there is not going to be so that we can continue to work on that in our planning?

Darren Vogt: One of the issues that came up and has come up in Personnel Committee is turnover. Turnover was the issue. If we looked at turnover and where it compared, I would prefer that we address the internal piece. Right job and right pay. That does not affect everyone, keep that in mind. I am a fan of more than a one percent raise across the board. We look at the external piece after we have had time to look at these corrections and see what it has done from the turnover standpoint. The confinement officers were a big part of our turnover. If you look at the part of the analysis of the external equity piece was, labor, trades and crafts was another

piece that was highly underpaid compared to the external market. But that is our lowest point of turnover. I am not sure the external equity is something that we need to look at on a big picture basis. It may be more of an isolated issue, like the nurses in the jail. That may be an easier way to handle external equity pieces by positions that aren't funded or go unfunded for a period of time because there are no applicants because the pay isn't there.

Roy Buskirk: We handled some of the external inequities with this internal adjustment.

Darren Vogt: Correct.

Roy Buskirk: The reason that I asked for a one percent is because doing the math is a lot easier to go one percent, two percent.

Cal Miller: I am also in favor of taking a step back from the external piece. Let's see what the internal adjustment does. I think we should be tracking the turnover that Councilman Vogt was talking about. We should be addressing that. There are a lot of intangibles working in County government. I assume with keeping people here and not leaving for reasons other than pay but I don't think we are in a position, this year, to tackle the external piece in any way, shape or form. There is some merit to allowing the internal equity piece to settle in and see how that impacts the turnover.

Brian Dumford: If I may make a statement. With the \$3 million set aside for both internal and external, I think, for the internal, it is a good buffer to have the \$2 million. I am confident that we wouldn't use all of that. But if it is half a million per percent, the money was already earmarked. A two percent cost-of-living increase would not keep up with the CPI and will exacerbate the external equity. Every percent you can put on it will lessen that exacerbation. The \$3 million was earmarked and if it is still available to be used, I recommend that you do the two percent increase across the board. That will help keep our fingers in the dike just a little bit more.

Paul Moss: My opinion on the, the frustration that I have always had with the putting two percent or three percent of whatever, is that we have already got the step system in place. I would be much more in favor of a blanket automatic three percent every year and get rid of the step. We do it in a haphazard way and depending on what the mood of everybody is, then it is one percent, two percent or three percent.

Brian Dumford: You are rewarding people for two different things. The step increase is not a cost-of-living increase.

Paul Moss: Why not?

Roy Buskirk: They have more money in their pocket.

Darren Vogt: Let me address the one inherent problem with not having a salary range. I would agree with you if we didn't have a salary range but here is the reason why the step increase is in there. From what I have gathered, in recent days, is if the position is hired in and there is no step increase, and the person sitting next to you is doing the same job and has been there twenty years, I come in and we are making the exact same money. Are we the same value, in training and all the things that go into me having the knowledge base that you have for that? If we had a salary range for every position, that would be a different story and there would be no need for steps. But without the salary range, we come in and are hired in ten years apart and you have much more knowledge than I do but we are making the same money. That is the inherent difference and that is why the step increase was put in place because there is not salary range. If you valued a COMOT 5 and a PAT 3 or OSS 3, that is what you make and that is where you fall.

Cal Miller: I agree with that thought process as well. The step increase is there to distinguish time in the position and comes along with experience. Back to President Moss' point, I would be in favor of an annual increase where we don't go through this every year and the employees can count on as we know the cost of living increases. If we do that, then this discussion doesn't become the last thing that we do. This discussion becomes something that we build into the budget. Every single year, we know that based on how the tax levy is set up, we have 3.7% increase over what we spent last year. The reality of the budgeting process will be, if we decide to go with an annual increase, it will be something that is wrestled with at the very beginning. This is an inflexible amount, we already have this allocated and the rest of the money allocated to the different departments will be an amount that is going to be already set aside the annual cost of increase. I have no problem with this approach because the cost-of-living is a factor and a reality. Things are getting more expensive and history has told us time and time again, somebody paid \$20,000 for their house thirty years ago and now they are living in one similar and we know what the cost-of-living is so if we are going to do that, I am all for it. We need to make sure that was is going to happen here is that there is going to be less money allocated to the rest of the departments.

Darren Vogt: For things other than staff.

Cal Miller: Right.

Paul Moss: The only thing I can say is that your comment may be just me, but I'm just not understanding it. If you have somebody who has been here ten years and you paid them an additional three percent a year, and that compounds over that ten years, you hire somebody in new, they will not be paid the same.

Paula Hughes: Yes they will.

Paul Moss: How would they?

Darren Vogt: Because the job evaluates at a COMOT 3.

Brian Dumford: The step system is simply a mechanism to move people through the salary range. There is a thirty percent spread from the starting salary to the twenty year salary and it is a mechanism that is used based on years of service as opposed to a merit system where you move through the salary range based on what your manager thinks you are worth that year.

Darren Vogt: If a COMOT 3 was \$30,000 on the first step, then on the seventh step, it is a \$40,000 job. To get to that, you have to be there twenty years. You eliminate the steps, they are both at \$30,000 coming in new. The grid adjusts with them so they both adjust all the way up each percentage. The only way to do that would be to do away with steps but give them the salary range so that the department head would have the flexibility which we have shown in past times, to have experience be the guide to where they place that position in the salary. Right now, we don't have that officially in writing. We have a step system that you get what you get as you go forward.

Paul Moss: Maybe we are dealing in semantics but I was not assuming the three percent was applied to the grid and moving the whole grid up. That is not what I am suggesting. I am suggesting that you give the three percent to the employee and move them up but leave the grid where it is at. The base salary essentially stays the same. That is what I am suggesting.

Darren Vogt: OOOHHHH! I see what you are saying.

Cal Miller: That would reward time of service but not necessarily increase the cost of the position.

Paul Moss: When you hire someone new, they come in at the base. The other individual, over time, will have the raises.

Roy Buskirk: But you know, in actuality, the exterior will have the salary increased.

Paul Moss: Unless I am missing something, you can take that grid and then you look at it prospectively. You get rid of the steps and, you would have to work some numbers for those that are right there and don't get disadvantaged, get rid of the grid and give everybody three percent raises every year. From a budgeting perspective, it is just easier to deal with and from an employee it is easier to deal with. As an employee of the County, I would know what my raise is going to be each year.

Paula Hughes: We back into it.

Roy Buskirk: I will say that in years past, we have done it as the last thing on the agenda. We are doing it as the first thing on the agenda now.

Paul Moss: We are doing it now after being here for how many hours?

Roy Buskirk: We still have to trim the budget and so we are doing this first instead of going through...

Paul Moss: I am saying that if you do the three percent every year, it gets moved to the front end of the discussion.

Roy Buskirk: Right. I know what you are saying.

Darren Vogt: I don't want to bog this conversation down and we need to move forward. I understand the point of yours to not move the grid but at what point do you move the grid? As inflation goes and the grid stays stagnant for five or ten years, are we not behind the curve trying to hire new employees?

Paul Moss: Your HR department would be constantly, kind of like the external study, doing on an ongoing basis. We should be looking at areas of high turnover and addressing them. That is something that in going forward would be a challenge to the HR department to be evaluating. Come to us, go to the Commissioners first, and say that we have this area of critical need and deal with it. I wouldn't expect it to be stagnant forever.

Brian Dumford: Under President Moss' scenario, the base pay is what doesn't change and that is the amount that we would have to look at on a cyclical basis. The high turnover jobs or the ones that we can't staff at all would be the ones we would look at. Then on a cyclical basis, every job would be evaluated against the external market.

Paul Moss: That is correct and I do want to address the comment about the external piece and kind of setting that aside. I don't want to see that set aside. I think that there are areas within the County structure that are critical needs. People have waited and been very patient for some time now and we need to address those. We need to sit down and prioritize those areas. The data is there and we need to look at it. What I would like to see us do is to set aside some additional money so that we can continue to do some of that and start to focus on the external piece. I invite you again to join the Personnel Committee. You can replace me on there.

Cal Miller: Thank you for the invitation.

Darren Vogt: To your point of the turnover, I think that if you look at some of that analysis, the positions that are adjusting are positions that are part of that. We did some of those individually such as the nurses at the jail. We have done that, when needed. To get this completed, we have \$3.9 million set aside. That \$3.9 million could include a three percent raise, and how we do it is yet to be determined. From a salary point, we could do it but from a grid point would be later if we have an entry level salary. Adjust the internal equity with the \$2 million and then that gives us a

little bit more money to deal with the external piece. So we leave the \$3.9 million that we have set aside to address all of those issues.

Paula Hughes: In the next two weeks.

Darren Vogt: No, his piece doesn't need to be addressed in the next two weeks.

Paul Moss: A lot of these things are more philosophical types of issues that I think will take some time.

Cal Miller: Rather than wait, I am eager to explore and make a motion and I like the idea that we are going to set aside a three percent raise that doesn't change the base salary. And that would be at the beginning of every budget cycle and we factor that in.

Darren Vogt: The problem is that we haven't addressed the step issue. There is more fleshing out to that. I don't disagree with it but there is more fleshing out to do.

Cal Miller: The steps would go away in that scenario.

Paula Hughes: Are you redlining all of the people on the step?

Paul Moss: That is a separate issue. Did we vote on that? We did vote on that. The steps are really a policy issue and what I would suggest is that we cannot change that policy. The Commissioners have to do that.

Paula Hughes: No, salary ordinance. That is our bailiwick.

Paul Moss: Brian, who has responsibility steps?

Brian Dumford: I really don't know.

Darren Vogt: We set salary ordinances.

Brian Dumford: You set salary ordinances.

Paul Moss: But the step program, we set that up?

Paula Hughes: We create that.

Cal Miller: Here is what I would recommend is that if we could just give the people the pro-rata share of what step they are entitled to and based on where they are in the grid, that becomes their new salary. Then they get whatever we believe the correct annual percentage increase that is automatic.

Roy Buskirk: I think we need a little bit more time to study that.

Paula Hughes: I do too.

Paul Moss: We can do that. That shouldn't be that difficult for you to analyze this component of the step. What Councilman Miller is talking about is that on a pro-rated basis, in order to not just advance someone who is within a year of their step increase. Am I correct?

Cal Miller: Right.

Darren Vogt: My point is that the \$250,000 to go to the next step every year. So it is not going to be any higher than that because you are getting everybody up to that if you are pro-rating the share.

Brian Dumford: I will believe that the Auditor's Office will agree with me, if you want to put this as a tentative way to go, great. To move on the discussion, let us run the numbers to make sure there are no landmines.

Paul Moss: It is a pretty significant policy change and if we have responsibility to do it, I would prefer setting aside some money and continuing the conversation. I would hope we could get those conversations going.

Roy Buskirk: We need to decide tonight what kind of pay increase we are going to give the employees for 2008.

Darren Vogt: To the point that we set the salary ordinances and the grid, we can adjust that past the budget time and when we have time to analyze it. We get the dollar amount and the grid went away, we set the money aside that you want to set aside but we still have to adjust and then the current reclassification system and the external piece. That is right back to the \$3.9 million which includes those things I just mentioned. This is too big of a policy issue to make the blanket statement that this is what we are doing. I agree that I would rather get rid of step increases and create a base pay with a percent raise every year.

Cal Miller: Where does that leave the Auditor's Office with respect for the timeframe for establishing salary ordinances? If we had this money set aside and part of the budget for 2008 be changed before we get to the first pay period of 2008?

Tera Klutz: The grids are part of the salary ordinance that you pass. We will need your final decision in two weeks for what you want to do for 2008.

Paula Hughes: We can alter salary ordinances, anybody except elected officials, at any time throughout the year.

Darren Vogt: If we set a three percent raise and we tell you that now, it doesn't address the issue of longevity and step increases. That is a separate issue. We have

already agreed to step increases for 2008. If we deal with going in and phasing those in or out for 2009 is really what we were talking about dealing with the impact of those.

Cal Miller: I don't think so. I thought we were talking about dealing with it in 2008.

Paul Moss: Is it possible to calculate and possibly operationally complete applying the three percent raise to everybody who is not moving up to a step?

Roy Buskirk: You have already gone through the step for the three years. The people that are two years, you would have to figure two-thirds of what the step would have been.

Paul Moss: That is not what I am asking. I am asking for this year 2008, whatever step increases are going to occur, is it possible to apply the three percent increase to everybody but them?

Jackie Scheuman: Not unless you eliminate the grids. The entire grid moves up. If someone went from a step two to a step three, that is the grid. If you are moving the grid up three percent, those people need to get the three percent.

Paul Moss: Okay. The grid has to move up.

Jackie Scheuman: At the risk of seeming argumentative, why are you discussing changing the entire system when you just went through a total reclassification? It seems that you are trying to do too much.

Paul Moss: The two are completely separate issues. That is not argumentative though.

Jackie Scheuman: Your theory of keeping the initial job at \$30,000 and then doing three percent a year is basically what we are doing with the steps except that people have to wait three years to get it. They don't get the three percent each year.

Paul Moss: What we are doing with the step is people have to wait and then we are throwing money at it in a haphazard way. The Auditor has stated, very eloquently over the past few years, that there have been years where there was no raise other than the steps. I think it is more fair to simplify the process and make it more fair for the employees to understand. It builds in the longevity pay as well.

Paula Hughes: If I could interject, I am in agreement philosophically, with having a standard cost-of-living increase that we accept as a base rate every year. I agree completely with doing something that allows county employees to either budget or project. I think that eliminating the step process would be too difficult to do in this budget cycle. There is a way that you would have to reposition everybody because you are eliminating the grid. When you have an across the board increase, the whole

grid shifts. So basically, if we agree, a step increase is half of a percent of fiscal impact to our budget, right? A one percent increase is half a million. A step increase is half a percent and there is no reason that we couldn't do both. We couldn't leave the grid system in place because it really is an entirely different discussion. It could be an entirely different discussion where you are rewarding people for longevity or if you are regularly budgeting and starting from a set percentage of cost-of-living increase. We can talk about them separately. Does that simplify it at all or does it just make it more complex? I think we could say that we are going to do a two percent every year. I think three percent might be ambitious in the same year that we are discussing all of the internal and external equities. I think we are going to get into trouble on what we can sustain on an annually operating basis.

Darren Vogt: The problem is that these are two separate issues. One is getting everyone in the right spot and that is not going to affect everyone. If we don't address what we are going to do ongoing but we almost have to look at it with saying that it was a project that we took on and did it and bit the bullet on it. There is money there to do it. Long term is a whole other story. That is why we have to monitor as we go as to what we are looking at.

Cal Miller: If we keep them both in place, if what we are concerned about is having a cost-of-living increase that everyone can count on every year, why would we leave the position that the new person comes in at a lower salary and doesn't get bumped up with the three percent raise? Now that we have the internal equity piece done and we think this is where people should be, shouldn't the cost-of-living shift the whole grid every single year? The new people coming in would assume that the appropriate salary, based on the cost-of-living and based on the job, we are asking them to do is placed on the grid.

Paul Moss: Ideally, you would have the hiring manager have some flexibility to bring somebody in, if they have some experience, above the base.

Darren Vogt: We have shown as a Personnel Committee that we are willing to think outside the box, we have agreed to move them along the grid.

Paul Moss: I will not vote for a three percent cost-of-living increase when we are also doing the step. What is the step, \$250,000?

Lisa Blosser: It is pretty minor and doesn't affect many people.

Roy Buskirk: While you guys were talking, on an OSS 4, the step between four and five is less than one percent a year. I am sure that is more than you ever wanted to know but I just thought I would do that.

Paula Hughes: Some years are more than that.

Roy Buskirk: Some years are more. It varies all over.

Darren Vogt: It is over a twenty year period.

Cal Miller: And that is rewarding longevity in a job.

Darren Vogt: That is to keep a person who comes in from being hired and making the same money that the person sitting next to them makes.

Cal Miller: When are we going to make the decision about the cost-of-living increase? Is that something that we want to accomplish today?

Darren Vogt: Yes.

Lisa Blosser: We need to.

Cal Miller: Do we have the funds for a three percent?

Darren Vogt: We have \$3.9 million set aside and that would be a \$1.5 million that we would have within the \$3.9 million allocation. I make a motion that we approve a three percent cost-of-living adjustment.

Patt Kite: May I interject something? Everyone here knows that I am a County employee and I would like to exempt myself from the three percent raise.

Cal Miller: How about you just don't vote on it?

Patt Kite: I would like to vote, so I will exempt myself if it is a possibility.

Paula Hughes: You just abstain from the vote.

Roy Buskirk: She wants to vote but not take the pay increase.

Jackie Scheuman: She is a Special Occupation so she is not on a grid.

Lisa Blosser: No, you are messing us up Patti. You can't do that.

Patt Kite: I want to do what is right.

Cal Miller: I will second Councilman Vogt's motion.

Paula Hughes: Is that an across the board three percent increase for all County employees?

Darren Vogt: Yes.

Paul Moss: We have a motion and a second, any further discussion? All in favor please signify by saying aye. All opposed same sign. The vote is 4-2(Buskirk & Moss)-1 (Kite). The motion does not pass.

Darren Vogt: It has to be five.

Lisa Blosser: You are all County employees. Everyone is voting on their own.

Patt Kite: I understand that but not everyone gets beat up for it though.

Darren Vogt: Councilmen Moss and Buskirk, is there a compromising position...

Paul Moss: I have already stated my compromising position. My position is if you, and it sounds like operationally we cannot do this, give the three percent to those that are not getting the step.

Paula Hughes: You are penalizing people who get step increases.

Paul Moss: I am not penalizing them. They would be...

Darren Vogt: They would rather have the dollar amount instead of the step.

Paul Moss: Then cancel the step.

Darren Vogt: I agree with you and it is a possibility that we can look at down the road and figure out if we need to go to the salary range concept. We are not there yet.

Brian Dumford: Last summer, we discussed a different structure and we never moved forward with any of those discussions. We have begun talking about different types of structures with building in a grade where someone gets an annual raise every year or doing just a straight percentage. We have had those discussions. I respectfully request that we don't change the thing within two weeks.

Paula Hughes: Brian, if I could interrupt, I would like to make a motion that we do an across the board cost-of-living increase for 2.5%.

Roy Buskirk: Second.

Paul Moss: We have a motion and a second. All in favor please signify by saying aye. All opposed same sign. The motion carries 5-1(Moss)-1 (Kite).

Roy Buskirk: I make a motion that we take the Surveyor's \$190,980 and put it in the Council's budget and earmarked.

Darren Vogt: Before we have a motion...

Jackie Scheuman: Actually, at allocation time, you instructed us and I believe you voted to encumber the \$563,000 and roll that and use it for next year.

Roy Buskirk: We can remove part of that \$563,000.

Jackie Scheuman: I am just saying that you already voted on it if that is your decision.

Darren Vogt: So we already have the money coming over to encumber so why put it in this budget cycle?

Jackie Scheuman: That is my point.

Roy Buskirk: So just remove it then. I get the drift now so just remove the \$190,000.

Darren Vogt: Appeal denied, basically.

Roy Buskirk: Because it is going to roll over from the \$563,000. He said in his presentation that they had already used part of that money.

Lisa Blosser: You hired some new employees that he already had in his budget. I think he was talking about that.

Jackie Scheuman: Two years ago, you gave him three employees. That is continually in there.

Roy Buskirk: Okay.

Darren Vogt: Cedar Creek, we already handled. We already agreed that Cedar Creek was a clerical error?

Paula Hughes: We haven't voted on anything. Do we agree that we are going to do that?

Cal Miller: Move to approve the Cedar Creek appeal.

Paula Hughes: Second.

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

Cal Miller: Move to approve the appeal of the Building Department.

Patt Kite: I'll second that.

Paul Moss: **We have a motion and a second, any further discussion?**

Paula Hughes: Yes, I think we should fund those vehicles out of our 2007 capital equipment.

Cal Miller: I withdraw my motion. Move to denial the appeal and invite the Building Commissioner to come this year to get his cars.

Roy Buskirk: Can we do that?

Lisa Blosser: Pull all of the capital out?

Darren Vogt: I thought we were going to pull all of the capital out.

Cal Miller: So deny the appeal.

Darren Vogt: Before we do that though, if we have him come forward now, he doesn't need the cars until next year. That is a little goofy in that respect.

Paula Hughes: Have him come in November.

Darren Vogt: Have him come when he needs it and have him encumber it for whenever he needs it in 2008.

Paula Hughes: And if they get the cars two months early...

Darren Vogt: He might not get them until he gets the best deal on them.

Paula Hughes: Why don't we start down here.

Roy Buskirk: Let's go through capitalizations.

Paula Hughes: Does everybody have a copy of the 2008 general appeals summary?

Roy Buskirk: It is about the third or fourth page back in your notebook.

Paula Hughes: It is behind the Budget tab. Let's talk about the County Extension Part-time Hire.

Jackie Scheuman: I'm sorry. Did you make a decision on the Building Department?

Cal Miller: The appeal has been denied.

Paula Hughes: I suggested that they come back in November and ask for the money.

Jackie Scheuman: Okay.

Paula Hughes: Under salaries, there is a summary by series. Skip the summary by department and go to summary by series. That will make things easier if we are pulling out capital. We already agreed that we were going to fully fund the new employee for Cedar Creek. How about County Extension? They are asking for \$463 for the part-time hire line. That is a two percent increase. We actually just voted on a 2.5% across the board.

Darren Vogt: That doesn't include part-time.

Lisa Blosser: No.

Paula Hughes: So what do we want to do?

Cal Miller: Move for approval of the appeal for \$463 to County Extension for their part-time hire.

Darren Vogt: Council, we are going back against our own philosophy of individualizing versus giving a department an allocation. Is that how we want to do it at this point in time?

Paula Hughes: That is what we do at budget appeal time.

Roy Buskirk: No, no, no, no.

Cal Miller: Didn't he ask for...

Tera Klutz: He's got some in consulting. It is tough because he is also down in services for \$3,500.

Roy Buskirk: We didn't approve line items. We just gave him a dollar amount.

Paula Hughes: Right. At allocation time, but at budget time we took it away.

Roy Buskirk: At budget time.

Darren Vogt: I don't think we did it that way. I think we just gave him a dollar amount.

Roy Buskirk: They may want to move it someplace else.

Paula Hughes: Then you figure out a way to have this discussion without the capital...

Roy Buskirk: So let's make it a motion. Does everybody approve the County Extension for \$463?

Paul Moss: There is a motion but not a second.

Paula Hughes: Right. So, let's let it die?

Paul Moss: Okay.

Darren Vogt: Election Board.

Roy Buskirk: I think that we should talk to the Election Board members and see if they want to possibly hire a person as an assistant director who will move into Pam's slot when she retires.

Paul Moss: So you want to deny this?

Roy Buskirk: So, I would deny this.

Paula Hughes: Are we doing that with the instruction that the second position will be eliminated in the 2009 budget?

Roy Buskirk: Correct. And we earmark funds into our budget to cover that salary. Does anybody have any idea what Pam is? Maybe this isn't sufficient funds for...

Darren Vogt: It would be for the position that you would hire but not once they roll over into the appointed position.

Paula Hughes: We can figure that out.

Lisa Blosser: If you are training someone, you wouldn't pay them what the person makes that they are replacing.

Paula Hughes: Hang on. I can tell you.

Jackie Scheuman: It is \$48,823.

Tera Klutz: There is FICA and PERF in this one so it would be a little less.

Cal Miller: I think we are going about this particular request and maybe establish a precedent but she made a request and are you just denying it or what? Your motion is that we are going to go back out and seek... Why don't we just address her request yes or no?

Paul Moss: Timingwise, I don't know if we can go back out and seek additional information.

Roy Buskirk: I think that we earmark \$50,000 or whatever into the Council's budget and that we talk to the Election Board.

Paul Moss: I didn't hear you say earmark.

Roy Buskirk: Earmark it into our budget, talk to the Election Board and suggest that possibly what they want to do is hire somebody now with the intentions that they take Pam's place when she retires. Then, what she is wanting, whether it is part-time or full-time, that might be addressed in 2009.

Paul Moss: Is that in the form of a motion?

Paula Hughes: My comment on that is that it only addresses a part of her issue. Half of her issue was transitioning someone to replace her when she retires. The other half was that she believes that the workload of that position has grown beyond what one person can handle.

Darren Vogt: With a new director and a new person, you might have different philosophies.

Roy Buskirk: I don't think she was necessarily looking for somebody to take her place.

Cal Miller: That is a different person. She does not have the same plan that you are proposing for the office. It is an appointed office, and I know that is why you want to talk to them. They make the appointment of the Director to the Election Board and then the Director would fill the position for the technology person that she was describing. What you are suggesting is that we get with the Election Board and see if they would follow the format that you are advocating of getting her successor in place with these funds. Then that successor could move into her position.

Roy Buskirk: As liaison, you would be the most likely one to talk to the Election Board. Your feelings are very important.

Cal Miller: Well, my feelings are that I think she has made a case for the position and that she wants that position to be in place for the entire year so that she can teach the person the ropes. Whether that person ultimately goes into the Director position, I think she still made the case that the position needs to be filled by someone. My feelings are that she has made the case for the position and I know there was some discussion about it being part-time but we ought to approach it that way for continuity's sake.

Darren Vogt: To that point, as I looked at the job description, the things that she was saying was that it was technically oriented. If you looked at the job description evaluation, it was all administrative type functions that the job was doing. To Councilwoman Hughes' point, a part-time person may be the answer. To hire a full-time person, I like Councilman Buskirk's approach that makes sense that if they want a full-time person, let's hire a person now who is going to be the replacement. It gives

them the same affect and then let them decide if they need more. If you get a person in there with a different technical background, they may decide to not work in that area. Deny the request for now but with the instruction to move forward with a different approach.

Cal Miller: So you are saying to not give any funds.

Darren Vogt: Currently until they address what they want to do and if we need to earmark some in our line item, then so be it. It still gives the person that she wants in reality.

Cal Miller: Is there a motion on the table?

Paul Moss: Nobody has made a motion.

Cal Miller: I make a motion to earmark in the County Council's budget, \$48,415, knowing that we can back it down after we have talked to the Election Board and found out what their plans are and if they think the part-time is more suitable. We can make the final decision after we have had the discussion with them. We would have the funds available in case they make the argument after we talk to them.

Darren Vogt: Second that motion.

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

Cal Miller: Also move for the approval of the Voter Registration request for the Tech Hire they described...

Roy Buskirk: You are not making a motion.

Cal Miller: I'm not?

Roy Buskirk: I guess you can since that is the only thing that they want.

Paula Hughes: No. They have a laundry list of things.

Cal Miller: Oh, that's right.

Darren Vogt: This is a Presidential election year and that is why.

Cal Miller: Move to approve all that they are requesting. This is a Presidential year and it is less than they requested in the last Presidential election.

Roy Buskirk: I'll second that.

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

Paula Hughes: I have a question. Are we considering that the part of the \$3.9 million that we had earmarked for job reclassification is available? We have only, we took the \$190,000 off the table, didn't we?

Roy Buskirk: Yes.

Paula Hughes: Okay. Never mind.

Cal Miller: With respect to the County Services, I make a motion to grant their appeal, the full appeal.

Paula Hughes: Second.

Paul Moss: We have a motion and a second, any further discussion?

Darren Vogt: A point of clarification, from my perspective. The County Services realizes that there the capability of more productivity out of that. If we don't see the productivity, I would caution this Council that we would be able to take a proactive step the following year and make the cut that needs to be made.

Paula Hughes: Absolutely.

Paul Moss: I would add to that by...

Patt Kite: The rules have been established.

Paul Moss: I would add to that by saying that, I believe that I can be fairly objective, this is one of the most glaring opportunities to reduce expenses for county government. It is unfortunate that we are not going to move in that direction. Having said that, there is a motion and a second.

Cal Miller: We can let that sit out there and be the exclamation point at the end of a very long discussion.

Paula Hughes: Councilman Moss is entitled to his opinion.

Cal Miller: I know he is. I think the presentation as to what extra we are paying for the responsiveness of the Print Shop is one that makes its case. Hopefully they can bring in some revenue to decrease that cost.

Darren Vogt: And if they don't?

Paula Hughes: Then we would expect in next year's allocation hearings that they would present the revenue that is equivalent or better than that third position that they maintain.

Cal Miller: I agree.

Paul Moss: Even if they bring in the revenue that he suggested, they will still be well below industry standards in terms of productivity. He did not refute that.

Roy Buskirk: Question. Calling the question.

Paul Moss: All in favor please signify by saying aye. All opposed same sign. The motion carries 6-1 (Moss).

Cal Miller: With respect to Superior Court, it looks like their appeal number has been decreased. The total number they are requesting for appeal is \$86,405. They outlined well what was happening with the felony shifts, the caps on guilty pleas and the need for the court reporter that they have been trying to juggle. I move for approval.

Paula Hughes: It is less than that.

Jackie Scheuman: With what the reductions are it is only \$75,404.

Cal Miller: Okay. Move for approval of \$75,404 for the Superior Court.

Maye Johnson: Second.

Paul Moss: We have a motion and a second.

Roy Buskirk: I have a question. Jackie, how are we coming on totals?

Tera Klutz: Just finish this up.

Paul Moss: We have a motion and a second on the floor. All in favor please signify by saying aye. All opposed same sign. The motion carries 7-0. Parks and Rec.

Cal Miller: Move for approval of \$20,000 appeal award to Parks and Recreation for the part-time naturalist that they need to open Monday hours and leaving the capital funds for them to come forward out of the existing budget.

Roy Buskirk: So it would be \$21,575.

Cal Miller: Okay so \$21,575.

Patt Kite: Second.

Paul Moss: We have a motion and a second, any further discussion?

Darren Vogt: As we have a new director that is coming in, we have an interim director who has done a very good job and he did not take the pay that went with the job. Someone coming in new, there may be a complete reorganization. I am not in favor at this time because I want the person to get in there and get their arms around what they are doing because it is going to be their park system and they may not think that they would need that.

Paul Moss: I tend to sympathize with you but I don't want to tie their hands is this is needed on down the road. Can we stick it in our account?

Roy Buskirk: There was something there that I didn't quite understand. The one position was somebody for new programs and if you are going to be open longer hours, you need somebody in the building. You need somebody at the gate to collect the additional revenue. I don't see how the \$21,000 was...

Tera Klutz: It goes into another fund, the revenue.

Roy Buskirk: Right. We pick up the expense and they get all of the revenue.

Jackie Scheuman: They can pay part-time out of that other fund.

Roy Buskirk: Ah, so maybe...

Paula Hughes: They have an excess in there.

Roy Buskirk: Maybe that is where they were figuring on picking up the gate person or something.

Darren Vogt: They said they picked up the gate people through some unfilled positions. How many unfilled positions do they currently have?

Jackie Scheuman: They had several longevity people quit this year so they had some extra money.

Darren Vogt: Do they currently have some unfilled positions?

Jackie Scheuman: They may have one.

Paul Moss: Could you repeat the motion?

Cal Miller: It was to fund the appeal of \$21,575.

Paul Moss: We have a motion and a second. That is unless you want to withdraw the motion after the discussion we just had.

Cal Miller: I do want to withdraw it. That line item is something that would be appropriate from the non-reverting fund. I do want to let them know that the capital expense is something that they ought to come back. It sounds like a good chance of passing.

Darren Vogt: That is up for discussion too. I don't think we really talked about that.

Roy Buskirk: There was one thing in talking to Roger last night, he said that Larry Pray told him that they didn't want anything to do with that tractor. The Building Department was going to give them a tractor.

Darren Vogt: That was a whole different discussion. They are currently mowing their grass now.

Roy Buskirk: Right.

Darren Vogt: With equipment that we already have.

Paul Moss: So the motion has been withdrawn. Is there another motion?

Darren Vogt: Motion to deny the request.

Paula Hughes: Second.

Paul Moss: We have a motion and a second. All in favor please signify by saying aye. All opposed same sign.

Roy Buskirk: Who is the liaison?

Cal Miller: Maye is.

Roy Buskirk: I think you would want to let them know that they should definitely come back for the capital expenditure item.

Maye Johnson: I will talk to them.

Paul Moss: The motion carries 7-0. Moving right along.

Cal Miller: That takes us back to County Extension.

Jackie Scheuman: I didn't catch you voting on that.

Paul Moss: I thought we voted.

Patt Kite: Only on the part-time hire.

Roy Buskirk: We never voted on that.

Darren Vogt: I have it scratched off for some reason.

Tera Klutz: You said it twice but never did it.

Roy Buskirk: They want \$3,977.

Darren Vogt: Council, I think everyone knows where I stand on the whole issue with the contract and the lease that we have. The County is getting the short end of the lease. I would rather have some leverage to negotiate with it.

Roy Buskirk: I wish Nelson was here because we got shocked on Soil and Water. Were you able to come up with \$8,500 for them? They are in a similar situation in that the building they are in is leased by the Federal government. The Federal government, because Allen County Soil and Water is in part of it, the federal services is in part of it and there is another federal department in it, they break up and charge each one of them departments. It was as much as what IPFW is charging the Extension.

Paula Hughes: Is it on our list of appeals?

Roy Buskirk: No, because they are under the Commissioners' budget.

Paul Moss: So what do we want to do on the Extension? Councilman Vogt, are you wanting to make a motion?

Darren Vogt: Motion to deny.

Paul Moss: **Is there a second? Okay, that motion dies.** Is there another motion that someone would like to make?

Cal Miller: Based on the appeal that Commissioner Peters made and his attempt to negotiate some relief and his plea to us to fund this while he is doing that, I share some of the reservations that Councilman Vogt has. But I will make a motion to grant their appeal of \$3,977.

Paul Moss: Is this one going to die as well?

Roy Buskirk: I'll second.

Paul Moss: **We have a motion and a second. All in favor please signify by saying aye. All opposed same sign. The motion dies 3-4.**

Roy Buskirk: I make a motion that we approve the County Extension for \$3,976.

Cal Miller: Dies for a lack of a second. I make a motion to grant the appeal in part for \$2,000.

Paula Hughes: Second.

Paul Moss: We have a motion and a second. All in favor please signify by saying aye. All opposed same sign. The motion carries 6-1.

Paula Hughes: Council, I make a motion that we that we appropriate all unappropriated funds for the 2008 budget into the capital improvements line in the County Council's budget. I believe we will have excess.

Jackie Scheuman: No.

Paula Hughes: No?

Jackie Scheuman: You only had \$50,000 available.

Paula Hughes: We had more than that because we took the Surveyor's.

Tera Klutz: He had a cut.

Jackie Scheuman: You had \$695,000 in requests and \$50,000...

Paula Hughes: No, we had \$505,000 because we put the Surveyor, we were going to take out of the already earmarked money.

Cal Miller: For rollover.

Paula Hughes: Right.

Darren Vogt: The total was \$695,000 minus \$190,000. Then you back out the capital of \$276,000.

Lisa Blosser: We are starting at \$645,500. Backing out capital of \$276,428 and that left us with \$369,072.

Paula Hughes: Subtracting the amount of \$199,080.

Tera Klutz: Some of the capital was in the Surveyor.

Roy Buskirk: Some of the capital was in the Surveyor but it was only \$26,000.

Paula Hughes: Superior Court was already funded and Building Department.

Jackie Scheuman: I show that you approved \$220,137.

Paula Hughes: How much?

Jackie Scheuman: \$220,137 is what you have approved.

Paula Hughes: Okay. So that comes to my question of using some of the money that we had earmarked for job reclassification and cost-of-living adjustments.

Cal Miller: How much are we over?

Roy Buskirk: We had \$563,000 for the Surveyor and we are only going to use \$190,000? We are going to have that roll over there.

Tera Klutz: Yes.

Jackie Scheuman: Do you want to use that?

Darren Vogt: I don't think we want to get in the habit of using rollover do we?

Roy Buskirk: To balance our budget?

Darren Vogt: Yes. We would rather pull it out of...

Cal Miller: What is the number that we're over?

Darren Vogt: Is there a way to quickly calculate the true dollar amount of the 2.5% raise, the increases based on the grid adjustment?

Tera Klutz: You still have about \$500,000 of the \$3.9 million.

Darren Vogt: That is what I thought. So we can take it out of there.

Tera Klutz: And that way, if you wanted to go to three percent later.

Cal Miller: So we are under.

Jackie Scheuman: You are telling me that you want to use the \$220,000 of the balance and you want that left in your budget.

Cal Miller: Yes. I'll second that motion.

Darren Vogt: So wait a minute I have gotten confused there.

Paul Moss: What was the motion?

Cal Miller: The motion was any unencumbered funds are now encumbered in the capital.

Paula Hughes: Unappropriated.

Cal Miller: Unappropriated are now appropriated in the County Council capital line.

Darren Vogt: And that was \$200 and some thousand dollars?

Paula Hughes: No.

Cal Miller: What was the amount, Jackie?

Paula Hughes: We don't have a set amount. We don't know.

Jackie Scheuman: That is because we don't have the salaries.

Roy Buskirk: We don't know exactly on the salaries but we want to make sure that any that is left unappropriated is put into the Council's capital line item. Is that okay?

Paul Moss: Works for me. **We have a motion and a second. All in favor please signify by saying aye. All opposed same sign. The motion carries 7-0.**

Paula Hughes: I think we may be working harder on September 20th than we typically do.

Roy Buskirk: Can we set a meeting for the appeals? Can you look at Bill's calendar?

Judy Heck? Yes but I need to know a date because it is on the computer.

Roy Buskirk: Do you want to try to meet Monday?

Paula Hughes: I am out all next week.

Paul Moss: Depends on when.

Darren Vogt: I have a 3:00 and a 7:00.

Roy Buskirk: Well, at least the appeals can be discussed. I am open anytime Monday.

Paula Hughes: Councilwoman Johnson is not available on Monday either.

Darren Vogt: I thought you said you were.

Maye Johnson: I am.

Paula Hughes: I thought you said you weren't.

Judy Heck: Just Bill's calendar?

Darren Vogt: Just Bill.

Paula Hughes: Maybe if you work on appeals next week, then we could get Personnel Committee to meet early the following week.

Cal Miller: While we are waiting on that, are we now poised to talk about what the County Council believes to be the most appropriate use for CEDIT dollars this year?

Darren Vogt: I would think we have to have that discussion.

Cal Miller: Is that the only left on the agenda today?

Darren Vogt: That is all I see. Since I passed out some information and I asked Mr. Hartman some of the questions regarding chip and seal, but what you have in front of you is the chip and seal projects for road conversion from gravel to chip and seal. The first page is a map of the locations and the numbers correspond with the pages behind it.

Judy Heck: He is free at 1:00 for one hour and he is free after 3:30.

Darren Vogt: One o'clock is the only one I can do.

Roy Buskirk: Okay. One o'clock. I don't think it will take too long. Brian.

Judy Heck: He left.

Paul Moss: Hopefully he can accommodate. I can do it but I will be late.

Darren Vogt: So what you have in front of you is the first page which is a map of locations and the second page is a closer view of the road with some additional roadways. The third page, the X's represent houses on each one of those roads. The purpose of this is really, as Commissioner Bloom stated, that roads are economic development and as we talk about CEDIT use, I wanted to make sure that what I was looking at was really economic development. As I looked at it, I have come to some conclusions that I am not sure that I would consider this to be true economic development. This is really for information purposes only and for you to make your own conclusions. But what I determine to be economic development is to maintain and make sure we have adequate road systems for business, transportation and for

people to get to and from work to make it a viable community. Some of this is simply road conversion and not an economic development impact piece. Some of these have very few homes on them. Some of them could be arteries. There are some that are dead end streets. My recommendation would be that without some further clarification on what the policy is, we maybe consider reducing the CEDIT amount that the Commissioners have, at this point, by some amount to have more discussion with the Commissioners as to what we feel is economic development. If we are going to make an impact, the only time we can do it is to not appropriate money during the budget time.

Cal Miller: I would agree and in adding some further backdrop to your comments, we asked the Commissioners to present us with the best case of why this was the most appropriate use for CEDIT dollars vis-à-vis the discussion that there is an interest in the zoo having a CEDIT contribution. When we compare and contrast those two, I was also unconvinced that the chip and seal projects that would be delayed by a year, excuse me, conversion projects, are the best use of the CEDIT dollars. When you are looking at some of the other competing interests for those CEDIT dollars and what the purpose of the CEDIT dollar is, I am unmoved by the argument that they set forth. I am not quite sure that I am to the point that I think that the zoo should get those dollars in exchange but I am with you, Councilman Vogt, I am unmoved that this is economic development. This is converting gravel roads to chip and seal on roads that do not have the economic impact of other road conversions. We do need further discussion.

Paula Hughes: From the time that I lived in a more rural area of the county, my impression was that the conversion was more a matter of a petition by residents.

Darren Vogt: Still is.

Paul Moss: And also sharing some of the costs, I believe.

Roy Buskirk: Three hundred dollars which is a small percentage of the cost.

Cal Miller: Here are the numbers of houses on these projects. Let's look at the context of the number of people that have petitioned for these projects. We have less than 100 houses that have signed up for conversion from gravel to chip and seal and we weigh that against the \$500,000 that the Commissioners had earmarked to do those types of projects versus what would be a better use for that money. I find it lacking a compelling reason to go out and spend the money in that fashion.

Paul Moss: Let me interject something real quick here because we continue to go down this path of roads versus zoo. I don't know who brought up the zoo component of this, and occasionally I wish I hadn't done that in some respect but I still believe strongly that it is a worthy project, but it is not roads versus zoo. It is not. There is a pot of CEDIT dollars that is out there that a portion of it is being spent on roads. One of the reasons that I think it is a good discussion is because I feel we

should have an opportunity to have input on how the Commissioners prioritize that pot of CEDIT dollars. I was hoping we would be able to have some input on that and it kind of got moved into a discussion about roads versus zoo and if you fund the zoo you won't be able to do certain roads. The prioritization of the CEDIT dollars expenditures, to the best of my knowledge, hasn't really changed much since this conversation began. It is a little frustrating that we need to be involved in that. I would like to see us involved in that a little earlier on.

Paula Hughes: I think the Commissioners...

Paul Moss: There is one more thing. There are other ways that if we decide that the zoo is worthy of the expenditure, there are other dollars available. It doesn't have to be CEDIT dollars.

Paula Hughes: I would say, you were not present for the CEDIT meeting and I had to leave early, that I believe that the Commissioners have made some progress in supplying that. Certainly they have presented us with more information and a more definitive approach. I think that has been created this year. I think it was pretty ad hoc before but is now being formalized as a policy by the Commissioners. I think that is absolutely movement forward.

Paul Moss: I don't disagree. Of course, that policy excludes much of what they are already spending money on.

Paula Hughes: Yes it does.

Paul Moss: And conveniently the zoo would be included in that. I agree that there has been progress.

Darren Vogt: We have made a habit of thinking outside the box and I appreciate Councilman Moss bringing this to our attention. There are funds available but I would like to see us use a combination of General Fund dollars and CEDIT dollars. This is not roads versus zoo. I look at the zoo as a fundamental economic development piece. As I think and hope that the bigger and better that the zoo is and the more that we can package the zoo for this community, the more it can become the centerpiece of zoos of its kind. We can attract people from a further distance and the further that people are willing to travel to get here, the more they are going to spend and stay in our community. If that happens to be in the zoo or outside the zoo, getting gas or eating meals, those are the kinds of things that I signed on when I first campaigned was to stir economic development. Here is our first opportunity to really do that. I think that we have got to take the bull by the horns and we need to look at is the zoo a viable project? The sooner that project can get done, the sooner it can get up and running, the sooner everything will get moving and there will be more chance for economic development.

Cal Miller: Both you and President Moss have said that it is not the zoo versus these gravel roads. I completely disagree. In the snapshot in time for this decision to be

made, the Commissioners have told us that if those dollars are not used for the zoo, they will be used for these projects. So, in this snapshot in time, I think the only way to fairly prioritize and look at the two options is where do you get the best economic impact? Is it out of these gravel roads being converted to chip and seal or infused in the capital of the zoo? Why isn't that a valid analysis? If we have given the Commissioners an opportunity to tell us what would not occur or be delayed a year, if those funds weren't available, I think it is a perfectly appropriate...

Paul Moss: Because they have taken every other CEDIT expenditure off the table. They have focused only on this. There are other CEDIT expenditures that could be reduced or adjusted.

Paula Hughes: That is telling us their prioritization.

Paul Moss: It is telling me that we didn't have a whole lot of input. I happen to have some concern about what appears to be an ongoing and unending commitment of \$200,000 to the economic development alliance. I am not talking about the merits of it or anything else along that line but the way it has been done is just assumed that it is always going to be there. When it is even discussed, I now a little bit of panic set in with some of the people on the receiving end of those dollars.

Roy Buskirk: You brought up a very good point in the fact that it is like these programs are off the table. This is the only one available to do any cutting on and it was roads. This is something that we are going to have to watch but a lot of the programs that were taken off the table are three year or five year commitments. That is the reason some of that was taken off the table. It is a commitment that is ongoing and can possibly be changed. I am glad to see Bill Hartman still sitting out there. Bill, on some of these roads, can you give me a fair reason why Lutz Road, which goes nowhere and only has four houses on it, is on the list to be done?

Bill Hartman: The number of houses is a small representation of the number of people involved in each petition. Generally there are twelve to thirty different parcels on these roads. To count the houses doesn't count all of the individuals involved. I need the petitions to prove that.

Paula Hughes: But it is a petition driven process.

Bill Hartman: Yes. These people are all willing to dedicate right of way, to give up property, in order to get a road improvement. This has been going on ever since we have had CEDIT. To answer on each individual road, I am not prepared for that.

Roy Buskirk: No, I am just familiar with that and know that one property owner out there that we are going to have to condemn in order to get it done. However many property owners are on that petition, since they don't live on it, there has to be some great benefit for them.

Bill Hartman: Even though they don't live there, they may engage in agricultural activities which are an industry in Allen County. The CEDIT dollars are generated in unincorporated Allen County. These are based on income taxes that have been levied on all of these folks in unincorporated Allen County. We have done our best to make sure that they are spent in that area. I can't speak for the Commissioners but several years back, they developed a program where they thought we would eventually convert all of the gravel roads to chip and seal. We still have nearly two hundred miles of gravel roads. At the reduced rate that we are at with ten miles a year, it will be twenty years before that would be accomplished. In all reality, there are some roads out there that are very little use for planting and harvesting but again, these folks that own these properties, they have been willing to dedicate right of way. We have gotten into the situation with Lutz Road and one other where we are pursuing condemnation in order to accomplish the improvements. Up to this point, we have never done that. We have had to get a full petition before we would proceed with the conversion.

Roy Buskirk: There is the argument too that a chip and seal road is more economical to maintain.

Bill Hartman: It is easier to maintain because we don't have to grade it. We reseal every five to seven years.

Darren Vogt: What is the cost to grade it?

Bill Hartman: I don't have that figure with me.

Roy Buskirk: But there are statistics that show that the cost to maintain a chip and seal road is more economical than a gravel road.

Bill Hartman: When you snowplow a gravel road, some of the gravel ends up in the fields. You have to reapply gravel every year to a gravel road. During thaw cycles in the spring, you have to be very careful of the use of a gravel road because you can fall through it. There is not enough right of way for ditching and not enough drainage on those roads. That is another portion of the conversion process. We get enough right of way in order to prepare proper ditches for drainage.

Paul Moss: A couple of things that I want to mention. One is anecdotal. As you talk about the economic development impact of various entities, I asked the Deputy Mayor how much CEDIT dollars was going to be spent on the Harrison Square Project. If I recall correctly, he said \$20 million. That is a pretty substantial amount of money. The other fact that I believe is accurate is that through the agreements that are being made, it will restrict any additional use of CEDIT dollars being used downtown.

Paula Hughes: Not CEDIT, CRED.

Paul Moss: CRED, I'm sorry. Most of us here probably support the Harrison Square Project and so I would ask you to keep in mind that \$20 million versus the \$500,000 that I am suggesting for the zoo, the \$20 million project is by no means guaranteed to succeed. The zoo has a track record of success and of drawing people to town. I believe it is one of the premier attractions in Fort Wayne. I think it would be difficult to argue against that so I continue to believe that this is an important project. They are about \$2 million from their goal and I can assure you that the \$2 million gap is a significant gap. They will struggle to get the last \$2 million. The community has been very generous but the next \$2 million will be difficult to get. It is also important to keep in mind that we are unique in terms of not having to fund the zoo with public dollars. It is like the zoo is being punished for its success. They have done very well and have been very frugal out there. Most zoos have significant public investment. Again, it does not have to be CREDIT dollars. There are other dollars available.

Roy Buskirk: I want to ask Tera a question. On the TIF areas, the TIF money on the assessed valuation increase goes to the expenditure of the utilities in the TIF areas. In the past it has always been on additional improvements that have been done in the TIF area to raise the assessed valuation. My question is, with the trending issue, that will raise the assessed valuation. Were the taxes generated from the trending increase in assessed valuation go to the public utilities or does it only come from construction?

Tera Klutz: The phase is adjusted through what we call TIF utilization through trending. We adjust the bases for trending and address the whole parcel and we just take the new construction or any new increment to pay for infrastructure or bonding or utilities.

Roy Buskirk: Okay. So the trending has no affect.

Tera Klutz: Right. That is why they call it neutralizing the base.

Roy Buskirk: Okay.

Darren Vogt: Council, I will make a motion that we fund, as an economic development project, the zoo in the amount of \$500,000 to be funded from CREDIT allocation.

Paula Hughes: I think we need to make space for that. Right now there is not availability in the CREDIT fund for that to happen.

Cal Miller: What is the procedural...

Paula Hughes: You have a submitted budget from the Commissioners for CREDIT. In order for this Council to insert a project, you need to remove a project to make room for it.

Darren Vogt: How much do they have?

Tera Klutz: I think they budgeted to the revenue.

Darren Vogt: We could reduce...

Paula Hughes: We could reduce a line item...

Darren Vogt: We could reduce a line item like Highway Department total of \$3,102,000 by \$500,000.

Cal Miller: The Commissioners indicated that what was going to not occur was a combination of things.

Paula Hughes: I stand corrected. There is apparently an unbudgeted amount of \$525,774 in the Commissioners' CEDIT budget.

Darren Vogt: That number just happens to be enough.

Paul Moss: An unbudgeted amount.

Darren Vogt: And if we budget, let me make sure, that line item, can that line item be transferred from one line item to another if the Commissioners chose not to fund that?

Jackie Scheuman: You can pass a resolution stating that it cannot transfer.

Lisa Blosser: Using it for that line only.

Cal Miller: If this motion passes, there is a line item in the budget and there is a resolution that it cannot be transferred without the authority of the Council. How does that money get out of the budget and to the zoo project?

Jackie Scheuman: We would need someone to fill out a claim. And then we can write a check to them.

Cal Miller: That is assuming the willingness of the Commissioners to do so but it doesn't exist.

Jackie Scheuman: I would imagine if you ask them to pass it, you could sign the claim or the Council President could sign the claim.

Darren Vogt: I have signed claims before.

Cal Miller: Okay.

Judy Heck: Except that the Commissioners have to approve all claims.

Lisa Blosser: They could tie it up.

Paula Hughes: If they are going to openly battle the Council on this, then it has to be a joint process.

Paul Moss: I want to let you know that I had a conversation with them a couple of weeks ago and they are supportive of the project. They just prefer that it wasn't CEDIT dollars. They will support it if it comes out of the General Fund but they don't want it to come out of CEDIT.

Cal Miller: The problem that I have with the thought process is that they haven't made the case that the conversion project is a more suitable for the expenditure of the CEDIT dollars than the zoo. We invited that and we got a handful of petitioners. How does that advance economic development in Allen County? I think Commissioner Bloom was not able to convince me that it was a better use of the CEDIT dollars.

Paula Hughes: I have a correction from the Auditor's Office and a lower amount was advertised so we cannot appropriate the unadvertised amount. We would have to decrease a submitted line item.

Cal Miller: At this point, before the motion has been seconded, I think that the position that we should consider taking now is decrease the line item on the existing CEDIT budget and insert a new line item with the resolution that it can't be transferred. Then see if we can work to a compromise with the Commissioners. But as long as the funds are secured, then we can continue to work with the Commissioners. Even without the zoo project, I am not convinced that road conversion is the best expenditure of the CEDIT dollars. We just need to tie those dollars up.

Paul Moss: I think your motion accomplishes that.

Jackie Scheuman: Was that a motion?

Cal Miller: We just need to find the line item.

Lisa Blosser: It is page 193.

Cal Miller: How much is for chip and seal? I mean road conversion.

Darren Vogt: You just take the whole Highway line.

Paula Hughes: No, there are specifics on page 193.

Roy Buskirk: Why couldn't we be like the City and every one of them have so many CEDIT dollars to spend how they want to?

Paul Moss: You are exactly right. That is a valid point.

Cal Miller: Looking at this, we have \$672,000 in a submitted budget for aggregate. We have \$383,600 for bituminous. Is that where you are saying it could come from?

Darren Vogt: It could come from any.

Cal Miller: Just for the sake of getting through this so we can have a continuous dialogue, I make a motion that we reduce the aggregate line item by \$400,000 and the bituminous line item by \$100,000 and insert a new line item.

Paula Hughes: Would that be a 300 series?

Lisa Blosser: I think it would be capital, 400 series.

Cal Miller: So let's put it under capital line item.

Judy Heck: Why don't you do it over a few years?

Cal Miller: We are going to have a discussion about this. Insert \$500,000 under a capital line item called Council/Commissioners.

Jackie Scheuman: I can set up a Council line.

Cal Miller: Okay. The motion also includes a resolution that dictates no transfer out of that fund to be made by anyone without Council approval.

Darren Vogt: I second that motion.

Paul Moss: As liaison to the Commissioner, you indicated a desire to talk to the Commissioners, do you mind if I take that?

Cal Miller: Yes, I think you should. If this motion carries, I would like to hear if anybody else thinks this is the best expenditure of the CEDIT dollars.

Patt Kite: I am not convinced that this is the best. I am sorry that this and the zoo are the only options.

Paul Moss: You bring up a good point. I have a letter here from Easter Seals ARC. One of the comments that has been made to me is that I have opened the floodgates and why did you do this? Well, it is our responsibility to prioritize things. The zoo's needs seem to make more sense than the request from Easter Seals.

Cal Miller: The point is that we asked to please present us with the best case scenarios so that we can evaluate this in the context of what is going to not happen and we got conversion of gravel to chip and seal.

Darren Vogt: Patt, I think to your point, the problem that we have is that in this particular budget cycle it is road versus zoo. It is the only option that is on the table and Easter Seals is not something that I would support from an economic development standpoint. We have the option of roads, zoo or do nothing at this time. I would rather us not do nothing and make our mark on something.

Paul Moss: I would like to point out too that I have been discussing this with the Commissioners for over a year. This is not something that I just threw out there.

Maye Johnson: I want to be clear. What does this motion do? Does this lock us into having further discussions with the Commissioners?

Cal Miller: Lock them into? It requires them to come to us to get approval for this money.

Darren Vogt: Does this mean that we can spend that money on whenever we decide what road or project needs to be done?

Jackie Scheuman: But as Judy mentioned, the Commissioners have to approve every single claim.

Paula Hughes: Just the same as we have to approve every single appropriation.

Darren Vogt: So to force the hand of the discussion, do we make a deeper dollar amount commitment to that fund? This could fall on deaf ears. I want to facilitate the discussion faster rather than later.

Paula Hughes: You can expedite it by submitting a formal invoice from the zoo. I think there are ways to expedite the conversation. I go back to the fact that we are making progress.

Paul Moss: I will be happy to have a conversation with the Commissioners and this will assist in that.

Roy Buskirk: I will not be able to support this partly in the fact that I think the money should be used for attracting new jobs. I realize that you need to have good roads and bridges but I do question on some of the dead end roads. I don't support, for economic development, retail because I think it should be for creating jobs. I have spoken with one of the other zoo board members and they are concerned with receiving tax funds and the repercussions from private donors for receiving the tax funds. I will not support giving any funds. We have let the Commissioners know that we are going to be looking over their shoulders.

Cal Miller: For a point of clarification, the motion does not include any specific with respect to what the \$500,000 will be used for.

Maye Johnson: I think it is unfortunate that we have two choices. I am not anti zoo but when it comes to economic development, I am inclined to think more in terms of using that money for job development and job training. The whole issue of road conversion versus zoo...I can support the motion but I am not ready to vote for \$500,000 going to the zoo. I think we should have some other economic development priorities. I am also concerned about establishing a precedent of public funds going to the zoo. The zoo has done extremely well in the manner that they have been conducting their fundraising. I can support the motion but I am not voting for the zoo.

Darren Vogt: One point that I would like to make as we talk about economic development. Economic development projects that we support, whether we say we support...

Cal Miller: Fund.

Darren Vogt: If we fund them, then we support them, in theory. Who has locked us into those? Is it us? Is there a written commitment? As we open this discussion to say that jobs are the major impact, the top half of those things don't create jobs directly. They go for overhead, for staffing or marketing. Granted, we may need some of that but there is no proven track record that says this is an economic development and here is what you have done for us. As we do this, I want to caution that it has to be about creating jobs. I look at it as a stimulus to get people to our community. Then they are spending money in our community. That is the difference between economic development that creates job and one that creates tourism.

Patt Kite: Is there difference between economic development and economic impact?

Paula Hughes: Yes.

Roy Buskirk: This is something that this Council has urged the Commissioners, in the past, to be more prudent to show that they are the ones that are generating new jobs. If there is a victory, everybody takes credit for it.

Paul Moss: This is a tough question but those of you that used the terms of not wanting to support the zoo because you are more interested in creating jobs don't support Harrison Square then.

Maye Johnson: I do support Harrison Square.

Paul Moss: Then I am having trouble understanding what the difference is other than the jobs created through the construction and the jobs that may be transferred

down with the restaurants or retail that opens up. Some of that will be a shift from the Coliseum as Randy Brown mentioned. They are very similar except that one is a proven entity and the one is unproven and is highly leveraged. **We have a motion on the table and we are at 7:00. The motion has been seconded. All in favor please signify by saying aye. All opposed same sign. The motion carries 6-1.** Is there anything that we are missing now?

Paula Hughes: I also think that chip and seal is not a good use of CEDIT money. I think that is a good one for Motor Vehicle Highway or Local Roads and Streets. I would like to see something tailored more towards the old economic development rather than economic impact.

Paul Moss: I agree but we give those out fairly regularly through tax abatements.

Paula Hughes: We do but tax abatements are not enough to compete in the marketplace.

Darren Vogt: If you recall, Commissioner Peters gave us guidelines for providing CEDIT funds to other organizations and I think this is a key document that we need to look at. We also need to put guidelines for CEDIT funds. We need to have some sort of agreement between the ten of us that these are similar guidelines and we all agree on that may change from time to time. I still don't believe there is a distinct thought process behind it other than roads and a few projects that are listed on the top.

Cal Miller: Do we need to adjourn?

Tera Klutz: Are you closing the budget hearings?

Darren Vogt: Motion to close the budget hearings for 2008.

Paula Hughes: Second.

Paul Moss: **We have a motion and a second, any further discussion? All in favor please signify by saying aye. All opposed same sign. The motion carries 7-0.**