

ALLEN COUNTY COUNCIL MEETING MINUTES
SEPTEMBER 22, 2011
8:30 AM

The Allen County Council met on Thursday, September 22, 2011 at 8:30 am in the Council Chambers at Citizens Square. The purpose of the meeting was for additional appropriations, transfer of funds in excess of the current budget, grants and any other business to come before Council.

Attending: Bob A. Armstrong, Roy A. Buskirk, Tom A. Harris, Kevin M. Howell, Paul Moss and Darren E. Vogt

Also Attending: Tera Klutz, Auditor; Nick Jordan, Chief Deputy Auditor; Jackie Scheuman, Finance and Budget Director; Nelson Peters, Commissioner; Therese Brown, Commissioner and Becky Butler, Administrative Assistant.

The meeting was called to order by President Darren Vogt with the Pledge of Allegiance and a moment of silent prayer.

Darren Vogt: Councilman Brown is not going to be with us today. He is having some medical procedure done so if you could keep him in your thoughts and prayers that would be great. With that, the order of the day will be that we will have our Council meeting this morning and then we will take a break and then move into the budget portion of the day. With that, we have the approval of the minutes from August 11th meeting.

Roy Buskirk: So moved.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Moss and Brown absent). With that, our financial report from the Auditor.

Tera Klutz: Through August 2011, our revenues are slightly behind schedule to collect 100%. We are tracking around 65% and we should be at 66%. It is fairly close and I am still fairly confident that we are going to meet our revenue projections through 2011.

Darren Vogt: If we had the \$600,000 or so that the City owes us, would that put us at the 66%?

Tera Klutz: It would definitely put us closer to being on target.

Darren Vogt: Does anyone have any comments or questions for the Auditor's Office?

Roy Buskirk: On the financial report, there is a breakdown as far as the County's relocation cost. The Council originally had that at \$3 million. With the outstanding P.O.'s and everything, we have \$28,000 left. I think that is probably going to be over-budget. I just wanted to bring that to your attention. I will make a motion to approve the financial report.

Kevin Howell: Second.

Darren Vogt: We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Moss and Brown absent). With that, the unemployment rate in Allen County in July was 8.2% and did tick up a little for August at 8.5%. With that, we will move to Economic Development.

Nikki Liter: Good morning, Nikki Liter with the Department of Planning Services. Maxim Medical Services is a company who installs and services surgical lights. They also do some equipment managers and video system upgrades in healthcare facilities nationwide. They are requesting approval of a Statement of Benefits for a project located at their building at 12632 US 33 North. They are requesting an abatement of real property. They are doing some real improvements there. Based on our point system, they qualify for a five-year abatement. On the investment, we are looking at about \$60,000 in improvements to their office building. They are projecting to create somewhere between eight and thirteen jobs. We're looking at annual salaries of about \$500,000. With the abatement, the company can save about \$4,000 over that five-year period. You have, for your consideration, the resolution to approve their Statement of Benefits. Company officials couldn't be here this morning. They had prior engagements. I am the one that will be answering any questions you may have.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: I was going to ask that same question. Are there any questions concerning this? I think it is pretty cut and dry, really. It is like ones that we have done before. I am sorry that they are not here so that we can welcome them to the County. We appreciate what they are doing.

Nikki Liter: I will pass on the information.

Darren Vogt: Is there a motion considering the resolution approving the Statement of Benefits for Maxim Medical Services located at 12632 US 33 North?

Roy Buskirk: Since you read it all, I will say that we should approve it.

Tom Harris: Second.

Darren Vogt: All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-0-2 (Moss and Brown absent). We have a resolution for Larson Financial Group.

Nikki Liter: This is another company in Fort Wayne looking to move their regional headquarters. This is Larson Financial Group and will be located at 1001 Chestnut Hills Parkway. They are a financial planning group for doctors and dentists. They are requesting an abatement of real and personal property. Based on our point system, we are looking at a three-year abatement for each. We are looking at about \$235,000 in real improvements plus some IT equipment. This building will house their Great Lakes Regional Headquarters. With the eleven retained jobs, they are looking to add seven more people with annual salaries of about \$350,000. They are looking at saving about \$7,300 after the three-year period. For your consideration is the resolution approving their Statement of Benefits. We have with us today Christine Millenbein, the COO of Larson Financial and she is here from St. Louis. If you have any questions for us, we would be happy to answer them.

Tom Harris: Tell us a little bit about what you do.

Christine Millenbein: Larson has been in business for five years now. We are headquartered in St. Louis. We started the Great Lakes Regional Office about three years ago and they are currently located on Inverness. We strategically place our regional offices in cities where there is a big medical standing. The medical facilities here are really great for the advisors that we work with. We only have about two that service this direct area and they go out to the different areas around the region. We also have an office in Indianapolis and an office in Beachwood, Ohio. Those offices serve this region. We would like to retain the regional office here in Fort Wayne. We appreciate the values of this small town and the advisors that work here are very fluent in the community and are really involved. We do financial planning to physicians.

Roy Buskirk: Are there any other questions?

Darren Vogt: What makes this a regional office for you?

Christine Millenbein: The Regional Director is actually housed here and he is the mentor. We bring training into this area and when we hire staff, we hire them into this office instead of into the ancillary offices.

Darren Vogt: It is the headquarters of this region. Is that person a registered rep?

Christine Millenbein: Yes, they are a financial planner.

Darren Vogt: Is there management staff? From my own background, I am trying to figure out what makes it a regional office. It is just a financial planning firm and there is no other management.

Christine Millenbein: Most of the management is housed in the St. Louis office. The Regional Director is part of the Executive Management Team. We do the training and recruiting, for this region, from this office.

Darren Vogt: The building has already been purchased, is that correct?

Christine Millenbein: That is correct. We finalized the purchase and started the build-out today.

Darren Vogt: Thank you.

Roy Buskirk: On the employment, you mentioned one at \$90,000. Is that a commission person?

Christine Millenbein: That is correct.

Roy Buskirk: Are there any other questions?

Tom Harris: I will make a motion to approve the resolution for the Statement of Benefits for Larson Financial LLC located at 1001 Chestnut Hills Parkway.

Kevin Howell: Second.

Darren Vogt: All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-1(Vogt)-1(Brown absent). We are on to Superior Court.

Fran Gull: Good morning, I am Fran Gull, Judge with Allen Superior Court in our Criminal Division. I would like to thank you for giving me the opportunity to come and meet with you this morning concerning items one

through nine for your consideration. This proposal was tabled at the August meeting which I am grateful for actually. I was attending my nephew's wedding in Massachusetts. When it was tabled, it gave me the opportunity to come this morning and speak with you and answer any questions that you may have about the reclassifications and salary ordinances that we are seeking. As you can see, items one through nine, several of them are in User Fees. Actually six and a half of them come out of our User Fees. The balance comes out of our main budget. We made this presentation to the Personnel Committee and at that time, the Personnel Committee voted two-to-one to approve the reclassifications of the positions with a motion by Councilman Armstrong and seconded by Councilman Harris. We joined the Human Resources Department in the reclassification of our positions and are seeking approval of these reclassifications. I would be happy to answer any questions you may have. I hope you have questions because I drove all the way back from French Lick for this.

Roy Buskirk: The one thing, Judge, the Personnel Committee did not approve this. They made a recommendation to move it out of the Committee and to the full Council.

Fran Gull: I stand corrected.

Roy Buskirk: Do we have any questions concerning that matter?

Tom Harris: Judge, the concern that came up and continues to come up is that the previous experience and how we deal with that throughout the County continues to be a challenge for Council. The concern had been that the previous experience that these positions and these employees have been identified under the UPROB classification and what the request is would move them onto the PAT grid that is under the County system.

Fran Gull: Right.

Tom Harris: The challenge that Human Resources threw to Council throughout these discussions is that we don't do that with other positions throughout the County. I guess the question that would come back to you and the challenge that we are trying to decide on is why should we grant an exception for these UPROB officers while we don't necessarily look at previous experience and move other employees up and onto the PAT grids.

Fran Gull: I understand that you have done this in the past. I believe that the Auditor pointed that out at the Personnel Committee. I think there have been at least two other individuals that have received the benefit of an exception from Council. I am not sure who those folks are but I know that

there have been exceptions made to this. What I would like to stress is the fact that when these folks were hired as County employees onto the UPROB grid, that grid recognized that prior experience. It just seems to me that the recognition of that prior experience, on that grid, to not recognize that experience on the PAT grid penalizes these folks for something that they had no control over. They had no control over where they were placed on the UPROB grid and their prior experience was recognized when they were placed on that grid. I think I told you earlier that this grid had become a stagnant grid. When we were in our process of creating a new position that Personnel approved and then went to Council and you approved, it became clear to us by virtue of Human Resources that we needed to take a look at the rest of our positions and see if we couldn't get them all onto the PAT grid. This is a one-time thing. We are not asking that you do this across the board. Any new people that we would hire in any of our positions, once this is approved, would come in under whatever new step on the PAT grid. We are just asking for recognition of the fact that these three people were hired on that grid with that prior experience and we value that prior experience.

Tom Harris: We probably had this discussion during the Personnel Committee but does the UPROB grid have step increases for seniority?

Fran Gull: Yes.

Tom Harris: So they went up naturally over time.

Fran Gull: Yes and it also recognizes degrees, master degrees and the amount of supervision. If they are a Chief Probation Officer, how many people they supervise in their office? None of these people fit into that qualification.

Tom Harris: The challenge the last time, I think I mentioned, was that the increases that we were talking about are \$6,000, \$7,000 and \$8,000.

Fran Gull: Correct and this isn't a good time to do this. I fully appreciate the work that you have been doing over the last several months. As you are looking at budgets, this is not a budgetary issue. When we started our consolidation efforts back in 2002, this is the final step in our consolidation of our services and our people. We started this process back in March of this year. It has been a long process to get it to this point. It really doesn't have anything to do with our budget process. The increase, in the salaries, will be covered by User Fees. These are User Fees that are generated by the program for the program's benefit. I think we had a discussion at the Personnel Committee meeting the last time if we could use any of those User Fees to pay any of the other Court's expenses. I appreciate the fact that you

understood that I am statutorily required to only expend these monies for the program and the personnel that run the program. That is the Court and Drug Alcohol Program, the Drug Court Program and the Pre-trial Services Division of the Criminal Division.

Darren Vogt: So, if a new person comes in, you are saying that they will start at the beginning of the grid?

Fran Gull: Yes sir, at the beginning of the PAT grid.

Darren Vogt: No matter what experience they have?

Fran Gull: Correct. They would be new employees coming in on the PAT grid to the Court.

Darren Vogt: I am just trying to get this into my head here, for a second. If I am coming to you from Bartholomew County and I was a Probation Officer down there, we are not going to give them credit for that but we are going to give these officers credit for it.

Fran Gull: Because the PAT grid does not recognize that. These would be new employees coming into the Court system.

Darren Vogt: But they were already in and the experience that you are asking us to consider is their experience outside of the County. We're placing them on the grid, as I understand it, with the experience they have with Allen County.

Fran Gull: We are placing them on the grid based on the experience that was recognized by me and the Indiana Supreme Court when they approved the UPROB grid.

Darren Vogt: My question needs to be a yes or no answer because that is not what I thought we were doing.

Tera Klutz: Who is "we" because there are two different positions on what they should be. She is speaking of the one she wants and you are speaking of the HR one.

Darren Vogt: Yeah. HR is saying that we should place them on the grid with the experience that they have had with Allen County. That is the recommendation from HR. Your recommendation is that we give them what they have had with the County plus what they have had prior to coming to the County.

Fran Gull: My recommendation is to recognize the fact that these are tenured, experienced employees that I don't wish to lose. When they were placed on the UPROB grid, the UPROB grid recognized prior experience. I am asking that you grandfather these three people and recognize that the other folks in here are all coming onto the PAT grid where recommended by HR. I think we are talking apples and oranges here.

Roy Buskirk: There is nobody here from HR, correct?

Fran Gull: We are talking future hires, like what you are talking about. A future hire would come in exactly where they need to come in on the PAT grid. If they were on the UPROB grid, they would come in with the recognition of prior experience. We are asking that they come off the UPROB grid and that we would not be hiring any additional folks on the UPROB grid. Once we get out from under the UPROB grid, we are on the PAT grid for any new future employees, for any step increases for the people that we hope will be on there, that is the grid that we will control and not the UPROB grid.

Darren Vogt: I've got my own answer to the question.

Roy Buskirk: Actually what you are saying there, Judge, is that the current employees, when they are put onto the PAT grid, you want to recognize their years of service basically to other Counties. Anybody new coming in, even though they have experience with other Counties, would not be recognized.

Fran Gull: Correct. We are asking you to grandfather these three people, recognize the placement of these three and the other six people on the PAT grid and new people...

Roy Buskirk: How can you explain the fact that the ones currently that would be recognized and the new ones that have the same experience would not be recognized?

Fran Gull: Because there is no UPROB grid to put them on. We are asking for abandonment of the UPROB grid for the Court.

Roy Buskirk: That program is still in existence, right?

Fran Gull: Oh, absolutely.

Roy Buskirk: On the two County employees that prior experience was recognized, were they Special Ops?

Tera Klutz: I don't recall exactly what classification they were in. I just recall them coming before you and saying that they were not able to hire in at the entry level. Based upon the experience that they had, they requested to move up.

Darren Vogt: I think it was a Nurse and IT.

Roy Buskirk: Are there any other questions?

Tom Harris: Yes, just one other. If these were not approved, no one goes down in pay, they just simply would not get a raise. Is that accurate?

Roy Buskirk: Right.

Tom Harris: They simply just don't get the increase.

Jerry Noble: County HR recommended the PAT classification for all of these positions.

Darren Vogt: Instead of the UPROB grid.

Fran Gull: Yes.

Darren Vogt: And that was brought on by the original request of the reclassification that you started back in March? What brought this on?

Fran Gull: What brought this on was that we had an individual that we were paying out of a part-time account and is a valued employee. We needed to create a position. We went to HR and they looked at the JAQ and did a desk audit and said that this is a PAT position. We presented that to Personnel and Personnel recommended it and we came to Council. Council approved it and it created a PAT 4 position for this individual. As we were going through this process, it became clear to HR that we had all of these people on different grids. We had people doing kind of the same work but we had them on a UPROB grid and we had them on the PAT grid. HR recommended that we take them off the UPROB grid and put them on the PAT grid. That is how it started. HR is the one that opened our eyes to the fact that we have a PAT 4 grid, and one of our employees scored at a PAT 5, and that is where these people really belong. We don't need them on the UPROB grid. They are not technically Probation Officers.

Tom Harris: With one exception, and correct me if I am wrong here, but they suggested that we move them to the PAT grid but not count the previous experience.

Fran Gull: For three of the employees.

Tom Harris: So they would move onto the PAT grid but you wouldn't count all of the previous experience. That is similar to all of the other positions that fall into the County's system.

Fran Gull: For those three individuals, yes. I disagreed because I thought it wasn't fair. I still don't think it is fair. That is basically my argument to you is a matter of fairness. We have valuable people that are doing the same work and it just seems unfair to recognize that they should be a PAT 4 or 5 and not place them into the position where they were before everything started. That is where they were placed on the UPROB grid. With the recognition from Personnel that they really ought to be on the PAT grid that is where we are at. I am asking, as a matter of fairness, that we not penalize those people.

Paul Moss: I assume they were hired in with the understanding that this is where your salary is or were they hired in with the expectation that their salaries would increase?

Fran Gull: They were hired in on the UPROB grid where they were hired in with the understanding that if they move on the UPROB grid, they get a salary increase.

Paul Moss: Their salaries have not adjusted...

Fran Gull: No. The UPROB grid has been stagnant for several years. There have been several years where there were no increases.

Tom Harris: This is a State grid.

Fran Gull: Correct. That accounts for some of the huge increases on some of the salaries that you are seeing.

Paul Moss: But they accepted the position based on here is what the salary is and they accepted the position.

Fran Gull: On the UPROB grid, yes.

Paul Moss: The grid doesn't really matter. I am saying the salary. They accepted the position at the salary offered.

Fran Gull: Correct.

Paul Moss: I happen to believe that the experience should be part of that factor. You are kind of taking a position in reverse of what I would. You want to recognize it for these folks, which I understand, but then for new people you don't want to recognize it.

Fran Gull: That is because we are constrained by the County's rules that we can't recognize that.

Paul Moss: I know and I understand that.

Fran Gull: I don't disagree with you, Councilman Moss. I think we should be and Councilman Brown indicated at the last hearing that he thought it was crazy that we didn't recognize prior experience. I don't disagree with that. I think it puts you in a very difficult position when you get presented with people like me coming and saying that we should be fair with the people that work for the County.

Paul Moss: Basically you create immediate inequities when you hire new people and take this approach. If we do this and then you end up hiring somebody, you create inequities. That is an unfortunate part of this, too. Do you understand what I am saying?

Fran Gull: I do and there are inequities. I can tell you that if we hire new people in, I have to honor my word.

Paul Moss: That is the other thing I am trying to understand. What was conveyed to these individuals when they were hired? I have no idea when they were hired. I don't know what their expectation is.

Roy Buskirk: Several years ago. These are not new hires.

Fran Gull: They are not new people. One was hired in July of 2010. One was hired in April of 1991. One was hired in September of 1995. We are talking very tenured and experienced folks that provide a valuable service to the clients that they serve. Ultimately the populations that we are serving are criminal defendants who have drug and alcohol problems that we are trying to correct, restore them back to good taxpaying citizens and get them back to where they need to go.

Tom Harris: Judge, this may be a tough question but would you have moved to try to get them onto the PAT grid if you knew that there was not going to be an adjustment? If we weren't going to recognize that previous experience, meaning that they weren't going to get these large increases, would you have gone forward to get them onto the PAT system?

Fran Gull: I can't imagine, in these economic times, looking at staff and saying that I am going to cut their salaries \$10,000. You are kind of asking me that. Would I have done that? I don't know.

Tom Harris: You wouldn't be cutting them, I guess.

Fran Gull: You would be cutting them significantly, the three people.

Tom Harris: But they are not dropping at this point. If they come off of UPROB and onto the PAT grid, they are not going to drop in pay. They are not losing any money.

Roy Buskirk: The three would be. The one thing we need to keep in mind is that the UPROB is State recommended wages for these positions.

Fran Gull: Correct. It is a State grid, yes.

Roy Buskirk: Are there any other questions?

Darren Vogt: No.

Fran Gull: Just as a point of clarification, I know the increases are significant. The increases, we are going to tap into the User Fee Fund to pay for that. Several of these folks come out of the User Fee budget and not out of our General budget.

Darren Vogt: Council, what we have to make a decision of and this is discussion only, the concern that I have is we open up our grid system to anyone who qualifies within the grid system and has experience outside the County that relates to the job, we jeopardize our grid system that we have to put those people at that level. I understand you think they probably should be and I don't disagree in certain instances but right now we do not have that set up in our system. That could be a flaw but right now it is not. My concern is that all of a sudden, everybody who has been hired in the last five years comes before us and says that this person worked over here and why aren't we counting their experience? HR has recommended that we do not count their prior experience. The UPROB grid is a different system, a different way of doing it. We have our way of doing it and we are going to put them in a grid that the County uses. All of a sudden we have an influx of questions within our system and that is the problem that I see. The two that we did were special occupations that they could not hire anyone at the salary that we had. It was not that there was a position that a person came in and we had to bump it up because there wasn't anybody out there that didn't qualify. That is from my recollection and I could be wrong. Yes?

Tera Klutz: Thank you for allowing me the opportunity to speak. I agree with what you say, to a specific point. When we post a job out there we have applications and people are ready and willing to take that job for that salary, and by the way we have not had trouble filling positions at this time, they are agreeing to that pay. I wouldn't expect questions to come up. I think this is a special exception to the fact that when they first hired with the County, we recognized a certain set of years and experience that the County has been recognizing for the past several years. This request, in my opinion, is just to continue to recognize the same service that we have already been recognizing for them as a County employee. Even though their salary has been told to us by the State, they still have been a County employee. I don't think we create or open up a whole can of worms by recognizing prior experience that we already have been recognizing. In my opinion, somebody can't come and complain if they are already a County employee and already decided to take a salary at a certain level.

Roy Buskirk: These people have accepted the salary.

Tera Klutz: Right and we have been recognizing experience with the County and as a County employee. I just think they are a little different. I don't think you will run into the scenario of opening up a whole can of worms.

Darren Vogt: I guess we are in disagreement. The UPROB grid, which is not controlled by us, recognizes experience. The system that we have in place does not.

Tera Klutz: It doesn't unless we need it to. If we can't hire, then it will recognize experience.

Darren Vogt: If we cannot hire. In this case, what we have is a grid position, a position that is going to be placed on the grid. If they hired onto the grid in 1995, 1991 and 2010, then it should be accounted for in the PAT level grid. What I understand it to be is that we are taking the 1991 and going further back and looking at their experience.

Tera Klutz: I think part of the reason is moving them over to the PAT would have caused a salary decrease and that is not the position we want to put our employees in. I have to be honest that I don't think we would be in this position if they weren't going to be taking a pay cut. I don't know if you want to do that.

Paul Moss: Can you red-line them?

Darren Vogt: We have a red-line policy.

Roy Buskirk: Leave them where they are at.

Tera Klutz: That is an option.

Paul Moss: Are you fighting for these raises?

Fran Gull: If you leave them on the UPROB grid...

Paul Moss: We could put them on the PAT grid but red-line them then there is no decrease but they are on the PAT grid.

Darren Vogt: We have a red-line policy that we would have to follow. It means that they would go for a year, I don't have it memorized.

Paul Moss: Nobody has an interest in seeing their wages reduced.

Roy Buskirk: No, but raising them \$8,000...

Paul Moss: I understand that but I am just offering an option here. Can you red-line them? If the goal is to put them on the PAT grid, I don't know if the goal is to put them on the PAT system or if it is to get them a raise.

Fran Gull: The goal is to get them on the PAT grid.

Paul Moss: Put them on the PAT system and make sure that their salary remains the same but they increase as anybody else would. Is that not within the realm of possibility?

Darren Vogt: We have a policy for red-line and would have to follow that policy. In that policy, we have a twelve-month period where they get their salary and then they go to the position where they are on the grid.

Fran Gull: This would be a decrease.

Darren Vogt: It would be a decrease.

Fran Gull: I want to clarify that there was never any intent to get people raises. When we started this process back in March and we were looking at the PAT grid, we were given this information from HR and my initial reaction was that I can't afford this. I am paying this out of User Fees. I can't afford these increases. That was not the intent when we started looking at the PAT grid. The intent was to get them off the UPROB grid, recognize that what they are doing as a Case Manager is not what a Probation Officer does. They are not Probation Officers and we need to get them off that grid and

onto something more akin to what it is that they do in the professional and technical field. The fact that raises or increases were a part of this was never the intent of the Court to get people more money. The intent was just to move them off the grid and when we were given the information from HR that this is where they would land, I was a little worried. I was concerned whether the User Fee budget could sustain those increases. We did an analysis and it can.

Paul Moss: Even if it can, I am sympathetic with what you are saying and I understand and appreciate that you clarified some things in that statement. Again, I am really uncomfortable with just providing a raise because they are moving onto a different grid and all of the other factors that go into it. If you were to say that this is a key employee, and I am talking globally here both private and public, and we are going to lose them if we don't make an adjustment that is one thing. These people have been working at these salaries and accepted these salaries a long time ago. What I am trying to suggest or ask is are you willing or can we take a look at some way of doing a red-line or modifying that policy to accomplish what you want? Get them on the PAT grid, it makes sense to do that and I absolutely agree. I am very uncomfortable just giving people raises. I think Councilman Vogt's point is very valid and I hope you would agree with that because we have 1,200 employees and I think we are going to have some people come out of the woodwork. We have been through this before. That makes me lean the other way of doing nothing. I am asking you and the Council, can we take a little time, between our next meeting and this one and look at this and try to figure out some sort of way to move them over? There is nobody from HR here.

Roy Buskirk: All of the wages that you see on the agenda today would change because of not counting the experience.

Tera Klutz: We have included the HR recommendations in your packet. Some of them are more than a ten percent reduction. They would fall into that twenty-four month period.

Paul Moss: I personally believe there is a middle ground that could be had if folks are willing to look at it.

Fran Gull: Of course. I would be absolutely supportive of working with you on figuring out how to make this work with the least impact as possible for future issues that you are going to have to face. I recognize. Councilman Vogt, that you have a legitimate concern. I face that concern as well. I would support that.

Paul Moss: That doesn't mean that I am volunteering to be on the Personnel Committee however.

Roy Buskirk: Auditor, I am not sure what you are referring to. I don't see another set of numbers without counting their experience.

Nick Jordan: They are buried in the salary ordinances.

Darren Vogt: It is not in the salary ordinances but at the back of that section. Council, let's do this. We are not going to come to a resolution today, I don't believe. I don't think that we have votes on either side to do anything. I think we have some things that we have to figure out a way to work around because we do have a red-line policy in place. We just set it in place and we are already looking to adjust it. We need to really think through this from a Personnel Committee standpoint. I would like to throw this back to the Personnel Committee. You hear that Council is interested in getting them to the PAT grid. We all agree that they are not Probation Officers and how we can do that with as little impact to them as possible. That is what I think we need to figure out how to do.

Paul Moss: The red-line policy may have only been in place for a little while but you shouldn't be surprised or disappointed that it may have to change. It is just a symptom of what we have dealt with as a County for many, many years in terms of approaching a hodgepodge of policy making and different ways of dealing with different departments and different positions. That red-line policy may be a little more fluid, or may need to be more fluid, than we thing for a while.

Darren Vogt: I think we tried to make it so it wasn't fluid so that we were consistent.

Paul Moss: You are going to have situations come up.

Darren Vogt: And we will let them try to figure out if there is a way to do that.

Fran Gull: I am sure there is a way to look at the grid to see if there can be lateral motion. I think that was the intent all along to have lateral motion off the UPROB and onto the PAT grid. The fact that we couldn't come to any resolution with HR kind of stopped everything. HR didn't seem to be willing to discuss these things that you are talking about. They have policies and they are following policies that we didn't fit. It was like we were trying to shove the round peg into the square hole. HR said that was not going to happen, this is our recommendation and this is what we are going to recommend. You can go to Council, make your pitch and see if they will follow it.

Roy Buskirk: Judge, I would like to point out again, the grids could be changed but you wanted to count the prior experience. That is what threw this all off. You are absolutely right, and I mentioned it earlier, the vote on the Personnel Committee was just to get it to full Council for discussion. It wasn't a vote of approval.

Tera Klutz: While we have you here, Judge, I was wondering how these people might fit into a consolidated Probation Department. We got an email from the State and I know you work closely with the State Judicial Committee. What are your thoughts and why the direction to have a plan to do that?

Fran Gull: There are issues that have arisen in other Counties, for example there is a County that has five Judges and each Judge has their own Probation Department. That is crazy. There was some push from the State to eliminate those Probation Departments in multi-Judge Counties. Allen County is not like that. Allen County has one Adult Probation Department and a Juvenile Probation Department. There has been an administrative rule now that has been proposed, accepted and adopted by the Board of Directors of the Indiana Judicial Conference that requires Judges in a County to have a consolidated Probation Department. Our folks aren't Probation Officers. We are a free-standing, stand alone Court Drug and Alcohol program. The fact that they are titled Probation Officers was a throwback to the 1970's when the positions were created. There is a consolidation requirement that the Counties that have multiple Probation Departments come up with a plan and present their plan to the Indiana Judiciary. We will be looking to Judge Felts, who is in charge of the Probation Department in Allen County, to meet with the Criminal Court Judges and come up with the plan that we will be submitting.

Tera Klutz: The email that we received documented that we have three and that Kim Churchward was the head of one, Eric Zimmerman and Jamie Mann. What I am hearing you say is that Kim Churchward really isn't the head of one but the State thinks that she is.

Fran Gull: She has the title of Chief Probation Officer because that is how it was created back in the 1970's. We are not a Probation Department. The Probation Department credential was awarded to these folks 35 to 40 years ago because that was beneficial financially at that time. We have never been a Probation Department. We have had to comply with Probation Department rules and we have been trying to get out from underneath that for years. When we started the consolidation project back in 2002, recognizing that we have people in our Pre-Trial Services Division that are Case Managers and the directive from the State saying that Kim Churchward is a Chief

Probation Officer is a technically correct statement. We are a free-standing, stand alone Drug and Alcohol Program and is recognized as such by the Indiana Judicial Center. That will be part of our plan notification to the Judicial Center, you have recognized us and certified us for years as a free-standing program and now you have tapped us as a Probation Department when we are not a Probation Department. Eric Zimmerman is in charge of the Adult Probation Department.

Tera Klutz: Thank you very much.

Darren Vogt: I don't know that we need to table it because tabling it leaves it on the agenda as it is. Let's throw it back to HR and let them figure out what we want. We may not want this on our agenda and we may want something specifically different.

Fran Gull: Would it be easier if I withdrew it and asked it to go back to Personnel?

Darren Vogt: Sure.

Fran Gull: May I withdraw these positions for your consideration?

Darren Vogt: Yes you may.

Fran Gull: Thank you.

Darren Vogt: Thank you.

Fran Gull: When is the next Personnel meeting and who should I get hold of?

Roy Buskirk: Call the HR Department and they will set it up.

Fran Gull: Okay.

Roy Buskirk: Our next meeting...

Tom Harris: October 2nd or 4th.

Roy Buskirk: I am not even sure you can get on that agenda. I hope that they would work with you so you could but I don't know.

Fran Gull: They have all of the information and so it is a matter of sitting down and trying to figure it out.

Roy Buskirk: October 6th at 3:30. Oh, 3:00. I'm sorry.

Fran Gull: Thank you.

Darren Vogt: Thank you, Judge. We will move to the Highway Department, Number 250.

Tera Klutz: This is the loan.

Bill Hartman: Good morning, Bill Hartman, Allen County Highway Department. I think Tera will take this over but if there are any technical questions, I am here.

Darren Vogt: Okay.

Tera Klutz: The process now that you have approved the loan from the Rainy Day Fund is to appropriate the money and then the Highway Department will procure bids. Once the bids are received and accepted, they will make the initial payment and they will repay the Rainy Day Fund over five years.

Darren Vogt: One payment will be this year?

Tera Klutz: Yes.

Darren Vogt: And then the next one will be in January or whenever they come in. Okay.

Roy Buskirk: Wait a minute, wait a minute. What is the repayment plan?

Bill Hartman: We pay in the neighborhood of \$350,000 each year for five years.

Roy Buskirk: I thought there was going to be a larger payment because you have it in your budget.

Bill Hartman: We have the \$350,000 for this year. If next year's budget is approved, then that will be the payment for next year.

Darren Vogt: So you may have a rolled purchase order for \$350,000 out of your 2011 budget if the trucks don't come in. I am assuming that they won't come in until 2012. They will have two payments in 2012.

Tera Klutz: We have written the agreement to have equal annual installments over the course of five years but there is no pre-payment penalty and we will take the money when we get it.

Bill Hartman: That first payment is in a line item.

Darren Vogt: We need a motion to appropriate in Trucks, \$1.6 million.

Paul Moss: So moved.

Roy Buskirk: Second.

Darren Vogt: Is there any further discussion? All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1 (Brown absent). Appropriate in County Health Fund 285.

Mindy Waldron: Mindy Waldron, I am the Administrator for the Fort Wayne-Allen County Department of Health. Before you today is a request for some funds out of our un-appropriated portion of our budget to utilize and purchase field-type computer systems to be used in our inspection programs. We hope to start with one program. We piloted a specific product that is used in many other Counties as well as something similar used in Neighborhood Code Enforcement in Fort Wayne. Just a brief idea of what we are trying to get away from is our archaic system of taking triplicate inspection forms out for restaurants or whatever the program is, completing it by hand, having them sign it and we bring it back to be entered into a database and then we can access their historical data. We have to keep the hard copies and that is what we tend to utilize in the field. Because we have the new Accela software program and it has been working well, we are just now getting fully functional with that. I have been doing this for about twenty years and we have always used this paper system. We have had talks for ten years as to how we are going to get a bit more mobile and electronic in the field and how we are going to capture signatures and be able to look at their historical data while we are doing an inspection versus calling in. Until we had a software program that was compatible with some of these field systems, it really didn't seem prudent to buy one. Joel is here to explain any of the technical things if you have any questions on what we are planning to purchase. We are looking at two systems. The one that I am asking for the money for is more expensive and we are hoping to go with the cheaper system but we are just piloting that one this week. We want to make sure that they are all compatible with the mobile printers that we use in the field. We will start with one program, our Food Division, because they are the most functional in the Accela software right now. We found it to be very useful for one-month pilot that we did. They utilized an air-card system, similar to what the Building Department does.

We have met with some other Health Departments to determine how they do it in an inspection while you are there. It worked really well and so we are hoping to start with the food program and then to expand it to all of our field programs if it works well. Today is \$38,000 for the computers and \$3,000 for software to start us out. We will then probably expand that if it works well. I would be glad to answer any questions.

Darren Vogt: Council, are there any questions? Councilman Moss.

Paul Moss: How many laptops are you getting?

Mindy Waldron: I don't know if you are familiar with the Tough Books system, which is what this amount is for, but we are also piloting a touch screen version which is cheaper. This particular amount is for seven but that includes all of the periphery supplies. You have to have a way to carry it, you have printers, all of the cords that are required and so it is the whole system. The computer, the carrying case or backpack or whichever, all of the required cords, the air-cards and all of the things that would go to printing while you are doing the inspection.

Darren Vogt: Councilman Howell.

Kevin Howell: What is ruggedized? What does that mean?

Mindy Waldron: This is one of the things that took the longest to find the right unit. Having done this for a number of years, what typically happens to whatever we are using, which right now is a notebook, is it gets dropped. These are meant to be dropped. Joel indicated that he threw it around to see how well it worked. What it means is that it is very durable even if you were to drop it a multitude of times and it will still function for you.

Darren Vogt: Mindy, a couple of questions. Is it safe to say that the Accela program that we approved to buy for the overall departments is giving you more efficiency within your department?

Mindy Waldron: From a data entry standpoint and access, yes. To answer your question on true efficiency, my opinion is not yet. It is a lot more clicks and a lot more places to be able to enter the same information that you would in a quicker database. I counter that, there is always good and bad to anything that you do, I think the pros outweigh the cons and we are able to access data among our departments. When we are encountering a problem that is ours and there are touches that the Building Department might have, we can see that in real time. The extra few minutes that it might take to enter an actual inspection is less of a problem than when we are out in the

field and we want to see if the Building Department is heading out for a roofing permit or do they already have the fence issue taken care of, I can see that. What this will allow us to do is to do that in the field in real time as well. Overall efficiency, it's a balance. It is not more efficient in the entering because it does take a bit longer but it is overall more efficient that we can see real time and see what others are doing with complaints as well.

Darren Vogt: From a constituent standpoint, it is beneficial. If you are at an inspection and they want to know something, you can see real time as to what that issue was.

Mindy Waldron: Yes and I will tell you that the system before was to make a phone call or call on the radio to try to reach someone and maybe they are out that day. All I have to do now is look in there and I can see who was there and whenever and across a multitude of years.

Darren Vogt: One other question. Do you have any idea of what the cost will be to implement this throughout your programs that are out in the field?

Mindy Waldron: I can ballpark it because I believe our first request came before you for all of them and then I backed off thinking that we should try it and get them fully functional in one division and then move up. I fully feel it will probably work. I want to say it was roughly \$135,000. I am hoping that we will be able to go with the cheaper model. These are roughly \$3,700 each with some accessories. The one that we are looking at now could come in around \$2,700. We need to test that. I decided to go ahead and do it with the timing this year but obviously the money would revert back if we didn't spend it. Roughly \$135,000 to \$150,000 max but it would come out of our unexpended though.

Darren Vogt: Council, are there any further questions? Not hearing any, we need an approval for Fund 285, Computer Software at \$3,000 and Computer Hardware at \$38,000.

Kevin Howell: So moved.

Bob Armstrong: Second.

Darren Vogt: All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1(Brown absent). Council, discussion and other business to come before Council is the next thing on our agenda. We have establishment of petty cash funds.

Nick Jordan: Good morning, Council. I will give a little background as to why this is being presented as a discussion item. Recently we had two departments come to us requesting how to establish petty cash for their department. One has since withdrawn their request. In doing a little research, in past practice the Commissioners have established these petty cash funds. The only documentation, as far as statutes, that I could find was from the late 1960's with a couple of requests that were in regards to chapter 25 of the 1965 Burns Statutes. Further research turned up IC 36-1-8-3 in which the fiscal body of the political subdivision has the authority to establish these petty cash funds. I couldn't find any further documentation establishing the authority for the Commissioners to establish these. Based on this current statute, it seems like it is your authority.

Darren Vogt: The HR Department is looking for a \$25 petty cash fund?

Nick Jordan: Yes. We even discussed if this authority could be delegated however there is nothing outlining it in the statute. If we take this initiative for the resolution for Human Resources, going forward any establishment of petty cash funds would follow the same process.

Darren Vogt: That they come before us?

Nick Jordan: Yes.

Paul Moss: Hopefully this will not require an hour of discussion.

Darren Vogt: I do have one question, who audits that? Do you, Auditor?

Nick Jordan: They keep the records of it and we have a file. A claim is drawn from un-appropriated funds. When they want reimbursement, they have to provide receipts just like any other claim to us. It is further outlined in the statute and the resolution that when the Elected Official, Department Head or Custodian of the funds changes, it is to be remitted back to our office and if they want petty cash with a new Custodian, they need to go through the process of doing the claim under their authority.

Bob Armstrong: How many other departments in the County have petty cash funds?

Tera Klutz: I think quite a few do.

Bob Armstrong: I mean \$25, you can't get two dozen bagels for that.

Tera Klutz: Not many people come into HR. They may just need a notary and all they have with them is five dollars and it costs two dollars. You shouldn't be buying major purchases with your petty cash funds. That is why the amount is so low.

Roy Buskirk: That was going to be my question, what are they going to use it for?

Nick Jordan: For HR's purpose, it was to make change. If a person comes in for a notary and doesn't have the exact change, they can make the change for it. We would require the receipt from HR in order to reimburse the petty cash fund back to \$25.

Tera Klutz: If there was an expense and not for making change.

Roy Buskirk: Where do the dollars go for the notary?

Tera Klutz: To the County General Fund.

Roy Buskirk: I mean physically, is it HR and then once a month they turn it into you?

Tera Klutz: Deposited daily.

Bob Armstrong: I think this is just an offset to customer service.

Paul Moss: Roy could get his change in the HR Department for his parking. I don't think we get to do a whole lot of resolutions, do we?

Darren Vogt: Not very many.

Paul Moss: This is pretty exciting. I move for approval of Allen County Council Resolution, 2011-09-22-03, establishing a petty cash fund for Human Resources with a maximum of \$25.

Tom Harris: Second.

Darren Vogt: We have a motion and a second, any questions?

Bob Armstrong: How has it been handled before this?

Nick Jordan: They were approved underneath the Commissioners' authority. In the documentation that we have from the late 1960's, chapter 25 of the

1965 Burns Statutes, I couldn't even find the 1965 Acts. I did find this recent legislation showing that it is under your fiscal authority.

Bob Armstrong: So right now, of somebody goes into HR and wants something notarized, how is it handled today?

Nick Jordan: I can only imagine that they require the exact amount of change. Let me give you a different example, Voter Registration was another one that wanted the establishment of the petty cash funds. Somebody came in and needed copies. It amounted to \$24.90 and the person didn't have ninety cents. This allows them to give ten cents in change rather than inconvenience the taxpayer.

Roy Buskirk: Another option would be that the employee would take money out of their own pocket.

Tom Harris: Call for the question.

Darren Vogt: We have a call for the question. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1 (Brown absent). Nick, do we have to worry about any of the other petty cash funds that are out there?

Nick Jordan: No.

Darren Vogt: Okay, good. With that, we have Upcoming and Recent Meetings. One meeting that we do have is the Customer Service Training scheduled to be sometime in November. They have it for the week of the 21st. That would be the Council and Commissioners for the training. We would go through a modified version of that. We would like as many folks from Council to participate as possible. The question that we are going to have is trying to find the date and that it is not going to get all of us. What we would like to do is send out a date and it will probably be the 21st. Those of you that have calendars, can you look to see if the 21st works for you. It is a Monday with Thursday being Thanksgiving. I know that I will be out of town. I don't want to make this a major issue. If we have a majority that is available, then we will relay that information to them.

Tom Harris: How long is that training?

Darren Vogt: About half a day.

Roy Buskirk: Send an email around and we can respond to it.

Darren Vogt: I would rather make sure we are good if we have all of the calendars.

Roy Buskirk: I am up for it.

Darren Vogt: Councilman Moss, you said you were good?

Paul Moss: Yes.

Darren Vogt: Councilman Harris?

Tom Harris: Yes.

Darren Vogt: Okay, we will set that meeting for November 21st. HR will send out the details or it actually it may come from Van Daele. Is there anyone else with any recent or upcoming meetings?

Roy Buskirk: I need to report on the City-County Joint Permitting Oversight Board. On this Board, Councilman Larry Brown and I represent this Council, Nelson Peters represents the Commissioners, Beth Malloy represents the Mayor and Tom Smith and Karen Goldner represents the City Council. I think we have made a lot of progress. We have RFP's out for three positions, the Expediter, the Legislation Streamlining and the Project Manager. The Board of Health made reference to the Accela program which will be installed in that and picking up several departments that currently do not have it. The Surveyor's Office will be tied into that very shortly. Highway and the Board of Health will have some improvements or additional installations. Like Mindy was saying this morning, one of the big things when you are out in the field is that you can go on that and see where the permits or other departments are doing and you have it instantly. I know Councilman Moss had some questions in reference to the surveys that have been taken. I think part of the reason that we have had a little better response to the surveys or at the counters is like when you are at home, do you behave the same way as when your parents are at home? I think part of it is because of the press and everything else, all of the departments that are working on this are aware that everybody is watching. They are doing their best to try to improve the customer satisfaction and that is the reason you have seen small movement but we have a long way to go. Part of this training in November with Van Daele and Associates will be doing customer satisfaction training with the County Departments. Darren and I had the privilege of sitting down with them earlier this week and some of their training is being done after they meet with the departments. They are designing their training for that particular department instead of one fits all. We are also talking to a Police Officer that does authority training for the Fort Wayne Police Department.

He will be providing training so that authority is not abused in the office or out in the field.

Paul Moss: Roy, before I forget, the survey is basically the metrics that will be used to signify success? What numbers are you hoping to achieve and what level of satisfaction does the committee believe is acceptable?

Roy Buskirk: It is part of the measurement that we will be using. It varies with the different categories as far as what percentage will be obtainable during the City-County meeting that we had at the Library and some of the numbers reported there...

Paul Moss: Like permit days, the Surveyor said yesterday that his permitting turnaround time basically went from 28 to three or something like that. So that is factored in?

Roy Buskirk: That is one of the tests that we have as a goal to try to get to. Reducing the number of days of permits, reducing hours and a lot of it is customer service. Some of it is the fact that now we are looking at the possibility of offering inspections for construction sites 24 hours a day. Sometimes you have a lot of work going on such as remodeling in retail that is done at night. They can do it after customer hours. It wasn't publicized before that we did have it available to do inspections after hours. There are a lot of little things that are fitting into the overall scheme of it. Right now, the main things are the RFP's and we are depending on some of the responses for the Expediter coming back with what he or she sees as improvements to be made. The one thing that I think is going to be very interesting is the legislative streamlining, going through all of the City and County ordinances. This is a program that, since we had "Plan It Allen" in 2004 or something, that was recommended in that plan. The Planning Department has been working on it but it has taken months and years to get the project done. I am not blaming their staff but the staff has been interrupted and pulled away from this project to work on their projects. With the RFP, we will have someone who will be concentrating only on this project. There is a lot of conflict between City and County ordinances.

Paul Moss: Do you recall how many positions we talked about at the Library? How many actual additional positions or in lieu of that, the amount of money that we were willing to spend to fund those positions such as the Expediter and somebody to do nothing but putting the codes together?

Roy Buskirk: Right.

Paul Moss: The reason that is because the survey illustrates what has been my argument for a while now. It is fairly typical to just throw money at a problem. We see it in school systems and we see it consistently within government. I think there are other ways, without throwing money at it, to improve the process. People being held accountable and a whole lot of different ways to do that. I remain concerned about hiring a really well-paid position when we are getting ready to talk to a whole bunch of people out here about cutting their positions. It remains a concern for me. I think the Expediter was up to \$150,000. I think that is right.

Roy Buskirk: I don't remember the exact individual positions. Tomorrow is when the RFP's will be due on those three positions.

Paul Moss: It is three positions?

Roy Buskirk: Correct. But none of them are employees. They are contracts.

Paul Moss: Money is money. When somebody ends up in the Expediter position, I will not be real surprised that two or three years down the road, they will still be in that position.

Roy Buskirk: They very possibly will be. It is designed like a one-stop shop. Anybody with development will work through with the Expediter to carry the process through all of the different departments. I don't have the exact number and it varies from County to City but there can be up to fourteen different departments that you have to get approvals for.

Paul Moss: I understand that and I understand the intent. I think we have a fundamental disagreement that it is necessary. But that is fine, what's done is done. What I am really getting at is based on these survey results, I know they are not dramatic improvements but it is heading in the right direction and we have done nothing other than what you just identified, make people understand what they need to do. The employees that we currently have understand that they have to provide good customer service et cetera, et cetera. We haven't spent any money on customer training, we haven't hired an Expediter and things are improving. Intuitively it makes me question even more whether we still need, again with going through and possibly cutting positions, spending money on this. All I am asking, and we can agree to disagree, you still feel real confident that we need to do that?

Roy Buskirk: Yes because the revenue for the County is generated by an increase in the assessed value and this is how you are going to increase assessed value is through projects of this type.

Paul Moss: There are a lot of factors that go into that. I understand what you are saying.

Roy Buskirk: In part, we are currently enjoying the largest construction project in the United States at the General Mills site.

Paul Moss: And there is no Expediter involved and the training hasn't been done. You can talk to the Alliance and they would tell you that business is booming right now, from their perspective.

Roy Buskirk: Do you want to know how much you approved and put into the Board's budget, \$700,000.

Tera Klutz: \$520,000 and it is right in your notebooks. You approved the technology. It is on the sheet that shows the County's Outstanding Projects.

Paul Moss: I respect your position on it. I am just offering my opinion. I am not trying to sway you or anything like that. I just wanted to make sure that you are still comfortable given the survey results and all of that. It certainly gave me something to think about.

Tom Harris: I have one question, who put the survey together? Was that done in-house or was it done by somebody outside?

Roy Buskirk: We took questions from developers and contractors and put it together. The Chamber of Commerce worked with us and made some suggestions on it. We took some information from the internet on what some other Cities and Counties are doing. Basically it was an in-house thing.

Darren Vogt: I want to make a comment on that. The surveys are still, in my opinion, extremely poor when you look at the fact that they either agree or somewhat agree and that is still 45% to 53%. That still means that nearly half of the folks that are out there using our services that are not satisfied with how we are doing things. That is still a problem. Granted, it is a trend in the right direction. I would caution that we need to make sure that the survey is done in a way that we are getting accurate information as to whether they are satisfied or not satisfied. The questions might be good but we need to make sure that they are statistically valid. You can word a question to get any answer you want and so we have to make sure that we are doing it the right way.

Tom Harris: I will trust that in the survey there is a place for further comments and those kinds of things. If someone is not satisfied, they should put down what happened.

Roy Buskirk: Members of the Committee have tried to make themselves available. Another thing that we have done is we have what they call a SWAT Team. They meet every other week and any problems are brought before that team. It is Department Heads that are doing this and there is usually two or three from the Committee there. The one thing on the survey, it is a very small sampling so far. I hope the number increases. Like you were saying, Darren, with the small sample the numbers can fluctuate.

Darren Vogt: Thank you for that.

Roy Buskirk: You can read this report. There is a lot more that I could go on about.

Darren Vogt: Does anyone else have any updates? Is there any public comment?

Tom Lewandowski: Good morning, Tom Lewandowski, 1870 Pine Lot Court, New Haven, Indiana. I am President of Northeast Indiana Central Labor Council. Speaking on behalf of the unemployed and anxiously employed workers initiative, I would like to hand out this request to you. We are requesting an opportunity to discuss with the Council at the next meeting, hopefully the next meeting, the findings of some studies that we have been doing. We are folks that are angry and frustrated but that just motivates us to come up with better answers. I appreciate the fact that when it comes to issues of the economy and unemployment that you have unemployment at the top of your agenda and that in reviewing some of the past Council minutes in July, you had a really good and thoughtful discussion about economic development. We have been doing some studies and looking through some tax abatement records to try to find out what works and what doesn't work. Then we can do more of what does work and less of what doesn't work. We have a deep personal interest in seeing that this is done right. We would like to be able to share some of our observations, findings and open questions with you so that we can come up with answers that work for everybody. This is a formal request to see if we can make that process start.

Darren Vogt: We will take that under advisement and read what you provided to us. Is your contact information on here?

Tom Lewandowski: It is at the top and we will be happy to provide plenty of documentation before any public meeting. We've got quite a bit.

Darren Vogt: Great.

Tom Lewandowski: Thank you.

Darren Vogt: Thank you very much. Is there any additional public comment? Not hearing any, we need approval to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council meeting of September 22, 2011.

Roy Buskirk: So moved.

Kevin Howell: Second.

Darren Vogt: We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1 (Brown absent). The next Council meeting will be held on Thursday, October 20th. We need a motion to adjourn our regular Council meeting.

Kevin Howell: Move to adjourn.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1 (Brown absent).

There being no further business, the meeting was adjourned at 10:01 a.m.

Darren Vogt: Council, let's be back here at 10:15 ready to go for resuming the budget hearings.

Recess.

Darren Vogt: Good morning and welcome to the 2011 discussions of the 2012 budget. We are going to take things a little out of order. The Commissioners are still in the Drainage Board meeting and with that we will bring up the Sheriff.

Ken Fries: Good morning, Council members. Kenny Fries, Sheriff of Allen County. I think you received, this morning, an additional update on our allocation request. We were able to hopefully cut \$363,844 from our budget. It does concern me but my Comptroller assures me that by moving money from portions where we don't have an employee there for a week or two, we can move the money into those accounts and we should be able to cover that \$363,000. Last year I think we sent back \$350,000 from those salary lines. We have looked, believe me. When I came into office in 2007, you all know

that I consider myself frugal and other people call me cheap. I have looked since 2007 and we have slashed and slashed and slashed and slashed. When I came in as Chief, I was told we needed to hire 44 more Confinement Officers to meet the DOC standards because of the ratio of inmate to Confinement Officers. I said we should be smarter with the ones we have. Eventually, I terminated that Jail Commander because we weren't going to hire 44 more Confinement Officers. I look at government as it should be the needs and not the wants. This is taxpayer money and we operate on what we need, not what we want. That is what I have told all of the Division Commanders. Realizing that the economic times are tough and I don't know that they are going to get better anytime soon. We all have to make cuts. I have been making those cuts since 2007. I was not able to come up with \$1.4 million in cuts. It is virtually impossible. Cutting this \$363,000, I hope it works. We continue, daily, to do other cuts and bring revenue in. I explained to some of the Council members last week that I have taken five more Officers out of the jail and put them out in Towns and as Resource Officers. It is about \$300,000 that comes out of my budget. I have to pay their salaries but the Towns and Schools pay that money back into the General Fund. The General Fund gets about \$296,000 a year from our Officers working those places. It doesn't come back to my budget. We have different ways of generating revenue. We are looking at having attorneys draw up some paperwork for the Sworn Officer Sex Offender Registry. We can actually charge the offenders for registering and any changes. It won't generate much but may be about \$15,000 a year. We are always looking at ways to have User Fees instead of tax dollars. I am hoping, after you look at this and realize that we have done everything we can do, that you will approve the appeal amount of \$1,047,080. Are there any questions?

Darren Vogt: Council, at this time we will open it up for questions.
Councilman Armstrong.

Bob Armstrong: On here it says Sheriff's move of Four B. There was no money budgeted in 2009 or 2010 but now there is \$50,000. What is that?

Ken Fries: That is for the move from the Kidder Building on Lima Road to the City-County Building. Hopefully that will happen next year.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: Do you see that it could possibly create any savings?

Ken Fries: Moving down here?

Roy Buskirk: Yes.

Ken Fries: No. The only savings that you are probably going to have is maybe in heating and air conditioning. This building is so much bigger and the County is already paying it and it depends on what they do with the Kidder Building. If it is demolished and torn down, the County will save money. If they continue to use it, I don't see that there would be any cost savings. The parking issue down here has still not been worked out. Up there are no parking fees. We have a place to store our SWAT trucks but I am hoping that continues. We have been allowed to store those by where they have the voting machines. I am not sure what the Commissioners' plan is for that.

Roy Buskirk: Wasn't there a new building for storage for the machines and trailer?

Ken Fries: Yeah. I think there may be room to store the one communications truck that the Commissioners got through Homeland Security but not the SWAT trucks. There is no room for those. Those are stored in the old communications center, the tan building beside where the voting machines are.

Roy Buskirk: So that the rest of the Council members know, last Friday afternoon Councilman Brown and I met with the Sheriff and asked if he was appealing on the \$1,410,924. We asked that he reduce his budget by \$470,307. That was one-third of what his appeal was. From the letter this morning, you can see that he has increased the amount by \$363,000. It is just \$100,000 short of the \$470,307. One of the possibilities that we mentioned to you last Friday afternoon was the Sheriff Retirement Fund. Starting in 2012 the County will be paying 30.5% of the gross wages of each Officer, into the Sheriff Retirement Fund. The Officers are currently paying three percent. Not to be able to know if retirement is coming in or not, this would save the County if it was increased to six percent that the Officers put in. All of the other County employees are putting in three percent into their retirement fund. That would save between \$180,000 and \$190,000. Was that a consideration?

Ken Fries: No. If you recall from the conversation on Friday, I said to take our new cars away from us. I will figure out a different way to pay for them. I would rather do that than go after the employees. I realize that at some point they are going to have to start paying more but not yet. The economy is difficult for everyone and the money that we have coming into the County is short. The last thing I want to do is with the employees. If I can figure out other ways to make cuts, I am willing to make whatever cuts we can. That is why I said take the money for the new cars and we will figure out a different way to pay for those. Don't mess with the employees. The morale, when I took

over in 2007, was down quite a bit. It has come up to the point where it is palatable. We all know that it is a difficult economy. We all know that we are lucky to have jobs. It is also a very difficult job that these Officers do. You see a lot of ugly things. The last thing I want to do is cost the Officers more money. We are 20% or so below what the City makes right now. Still we keep continually falling back and falling back. That is the last thing I want to cut.

Roy Buskirk: Currently, there are five Counties in the State where the Officers pay six percent. One County is 5.5%, one at 4.25% and six Counties at four percent. There would be thirteen Counties in the State that are paying over the three percent.

Ken Fries: That means that the vast majority is still paying three percent. I realize that the way you explained the money for the cars that it can't be cut, well, I am more willing to do that than affect the Officers.

Darren Vogt: Let me just talk to that quickly. There is no money set in our budget for cars.

Roy Buskirk: It is something that we try to watch, if you cut acquiring cars, you are just pushing off a capital expenditure. You are not saving the money. You are just deferring the expense in the future.

Ken Fries: That is why I said I would figure out a different way to fund them. It would probably be out of Commissary. That would get us by for at least a year or so. By then, we can see what the economy is doing.

Roy Buskirk: Several of the Counties where the Officers are not putting in more than the three percent are small rural Counties, basically. I don't know if some people realize it but Allen County is having a real impact because of the property tax cap. Some Counties have absolutely none. I checked with Wells County and there is not one individual in Wells County that has hit the tax cap. That is not having an effect on their budget at all.

Darren Vogt: Councilman Harris.

Tom Harris: Sheriff, one of the things that we are trying to do is assess all of the different services that are done in the County and trying to put some understanding into priority. We've talked to departments and some Elected Officials yesterday to try to understand some of the more important things that citizens and taxpayers need and want in the community. When you are going through this process, which is a challenging one, how do you do that within your own department? Every department and every Elected Official looks at the 20, 30 or 40 different kinds of services that they provide,

everything from some of the different programs that you provide. How do you determine your priority list? Give us some understanding about how you prioritize what is at the top and what is at the bottom.

Ken Fries: That is part of the problem with the way that we are situated. Other agencies have more affect on us than maybe anybody else. The Prosecutor's Office and the Judges who can mandate stuff that we have to do and we have no choice in it. That is just as the State law does. It is very difficult to try to pick what we have to do and what we don't have to do. The things that we don't have to do, we typically charge for. VIN checks, if you want a check on your car, we will send an officer out but you have to pay for it. I've told people before that if I had a glass ball, it would be easy to be the Sheriff. I would know how many people we need today. We would know how big the jail needs to be. We are overcrowded and it is a matter of time before we get a lawsuit filed and we are going to have to build more onto the jail. So many of the priorities are dictated by things that we have no control over. I think the Clinton Administration wanted to put 100,000 more Officers out on the streets. If you do that, you fill the jails up. When the legislation went through to put more Officers out there, great because you arrest more bad guys but nothing came to the jails or the County level to make sure that we have some way to take care of and pay for those inmates. We get inmates brought to us and there is nothing we can do but take care of them. It's a priority that we have to have a jail with a budget of over \$10 million. When it comes to all of the other functions that the Police agencies do, everything from the Detective Division, to the Patrol Division, to the Warrants Division and the Civil Division, all of our jobs are mandated and have to be done. Like I said, we have tried to cut since 2007 and have cut since 2007.

Tom Harris: As you and I talked, the bar continues to change. We have all experienced it and even though we have done cuts and done all of these things in the last five to ten years, the bar keeps going up. We can't just say that we did something five or seven years ago and stop there. We are going to have to continue to get better and more efficient. From an efficiency standpoint, what kinds of things are you doing within all of your operations to improve efficiencies?

Ken Fries: Every Department Head or Division Head was told earlier this year that this is a needs and not a wants and what ideas do they have in their own divisions that they can do to streamline things and make things better? Video conferencing, we love to do. It saves us transports. We can't do it unless the Prosecutor's Office and the Judges agree to it. There are different technologies that we could use but can't do unless other people agree to it. Every division knows that these are lean times. The new cars that we are buying, the Chargers, 27 miles per gallon before the Hemi kicks in and

the old Crown Vics were getting 12. Even though they are new cars and we are getting them cheaper, they are saving money on fuel. We all realize that it is a difficult economy. We continue to try to cut every place that we can and be as efficient as we possibly can. It is like I told you the other day, I would love to be the one who comes in and says "Look at what the Sheriff did. He was supposed to cut \$1.4 and he cut \$1.5 million." If it is not there, it is not there. I was told at one point that you can cut personnel. I brought up an Officer's name and he got cut and the name didn't mean anything to anybody except to the man that when he was out on patrol, he came across the man having a heart attack. He saved his life and to that man, that name meant something. We don't have a job that is typical. We have a job that, many days, is the difference between life and death. That is why I fight the way I fight. This is what I have done for thirty years. All of us know that when we get into County government that we are not going to get paid as high as the City government or other governments. It is because of the dedication that you have with this job. That is why we still have people who want to become County Policemen. I had to give a talk last week to the new City recruits that were going through the City Academy and graduated Friday. Five of the eleven were, one from Allen County and the others were from other Counties, asked why they went to the City and the answer was more money. Our Officers know that they are not going to get more money but at least they know that I have respect for the job that they do. I'll fight for them.

Darren Vogt: I am going to stop you there, Sheriff and just make the statement that this does not say that this Council does not respect the job that they do. I don't know that you inferred that but I want to make it clear that this Council does respect the job that they do. Councilman Harris.

Tom Harris: This is just another point to that. As we just talked about and all of us are trying to understand, what are some of the services that local government is providing? Obviously the Sheriff and safety is up there but the very challenge that everybody has is to look within your function to determine top down priorities. This is the best, most needed, even in the Sheriff's Department. This is number one and this is last. In trying to help us understand that is beneficial for everybody. It is a challenge, not only for your department and every department in the County but clear across this country. Americana and business is saying that they want more for less. That is going on everywhere and we are just trying to figure out the best way to make those decisions.

Ken Fries: Our motto and our philosophy is life first. Preservation of life comes first. What does that mean? If you look at all of the different divisions that we have and do police functions, where do you prioritize? At least I made sure, when we started to get cars that they were marked cars. Those guys are

in uniform and they should be driving marked cars. They are supposed to respond no matter where they are or what division they are working. Life comes first. When an armed robbery or a crime is committed, they go and most of the time you will find that when a major crime occurs, most of the people there will be off-duty Officers. We are so short of on-duty Officers. We are not even close to where we should be and never have been. The number of Officers out working the streets is not even close. I have never come to you guys and asked for more because I know it is not going to happen. I know money is tight. It has been tight ever since I took over in 2007. I haven't come for the five more Confinement Officers that we lost by putting them out on the street. I know money is tight and so why even ask. Everybody says that when I go to Council I get everything I ask for. That is because I ask for what we need and not what we want.

Tom Harris: One final question. In terms of best practices in all that you do, where do you look to find more efficiencies and best practices in everything from the jail to inmate handling? Do you look State-wide or nationally? How do you get some of those ideas?

Ken Fries: I am part of the Indiana Sheriff's Association and you talk to the other Sheriffs and find out what they are doing and they are typically finding out what we are doing. We seem to be staying ahead of the curve. We talk to the different vendors to see who is going to give us the best product at the best price. A lot of time we will go through Purchasing to look for stuff and they have told me that they want to hire me when I am done because I get better prices than they do. I negotiate everything. I do it in my private life and I do it in my public life.

Darren Vogt: Councilman Moss.

Paul Moss: With public safety, it is always interesting because what is the appropriate number of Police on the street? I don't want to live in a police state. I don't have any desire to do that. My personal barometer is I-69. You can go out there on any weekday and see, from 9:00 to 5:00, State Troopers doing nothing but ticketing people for going a few miles over the speed limit. That is an effort, in my opinion, to simply raise revenue but not enhance public safety. That is my rant for the day. I don't see the Sheriff's Department doing a lot of that, thankfully. It is always difficult for us to sit up here and make decisions like this when you are making a fairly impassioned plea. Having said that, I do have a couple of questions, first of all, the PERF decision that we made, did that have no impact on your department or just no impact on the sworn Officers?

Ken Fries: No impact on the sworn Officers. All of the civilians are under PERF.

Paul Moss: So that impacted a pretty significant bunch.

Ken Fries: The majority of them.

Darren Vogt: Let's analyze that. How many are sworn Officers and how many are civilians?

Ken Fries: There are 124 sworn Officers and the remainder of the 358 is civilians.

Darren Vogt: So a little more than half were affected.

Paul Moss: Did you say 35%?

Roy Buskirk: It is 30.5%. Starting January 1, 2012, the County will be paying 30.5% into the Sheriff's Retirement Fund and the sworn Officers will be paying three percent. According to State code or whatever, that can be increased to six percent participation by the sworn Officers.

Paul Moss: Total is 30.5%.

Roy Buskirk: No, the total is 33.5%.

Paul Moss: Is there a max on what that percentage can be?

Roy Buskirk: No. That percentage is adjusted based upon the investment revenue and that number has been going up in recent years because of the stock market interest rates.

Ken Fries: That should have fluctuated because for a while our pension went up when it shouldn't have. Now it has gone back down a little bit.

Paul Moss: So what is it for the rest of the non-Sheriff population? What is that percentage?

Tera Klutz: 7.25% is the County portion. It would have been 10.25% but the employees are going to contribute three percent.

Paul Moss: Okay, I was just trying to get a comparison.

Roy Buskirk: In addition to the Sheriff Retirement Fund, has that changed?

Tera Klutz: What were you going to talk about, Social Security?

Roy Buskirk: Yes.

Tera Klutz: Everybody gets that.

Roy Buskirk: Oh, I know. They also have the Sheriff Retirement Fund and they have Social Security.

Paul Moss: My point is that I am trying to understand it and I didn't realize that the percentage was that high. I noticed, and maybe it is just my confusion, that if you look at the vast majority of positions on 2009 actual expense to 2010 actual expense, they go down.

Tera Klutz: I can explain that. In 2009, there was an extra pay period and all of the sworn Officers, their base pay is listed in the salary line. The extra pay that they get for steps is called longevity and they get three percent every three years. It equals out to one percent per year. That is added onto their paycheck as a supplemental pay each pay period. This amount of \$700,000 gets spread amongst all of the sworn Officers. We have a spreadsheet that shows the amount that they will all get based upon longevity.

Tom Harris: Is there a reason that it is listed separately?

Tera Klutz: Not that we are aware of in our office. We can clearly put that in the budget book going forward.

Tom Harris: That is done differently than everyone else?

Tera Klutz: Yes it is. I don't want to say that is the way that it has always been done as the reason but I am not sure of the reason.

Darren Vogt: I did ask that we fix that for the next budget book. It will show the actual pay of the Officer. Will that also include some of the other stuff that they do?

Tera Klutz: No. It will only include their steps.

Darren Vogt: It won't include if they are a K-9 Unit or shift difference?

Tera Klutz: Right. It will not include all of that. Those will still be paid supplemental because they can change.

Paul Moss: Where can I find the total actual expense for 2010 for the Sheriff's Department?

Tera Klutz: For all three departments?

Paul Moss: Yes. While you are trying to find that, I have looked through here and I don't see anything that would describe the impact of the move into the City-County Building. You have \$50,000 for the move of 4-B. That is just for moving everybody out? Is there money coming from elsewhere?

Ken Fries: There is no other money coming. I operate on a needs and not a wants. That \$50,000 is bare bones. We may have guys in pickup trucks bringing things down here.

Paul Moss: Are you going to have to come back to us to ask for more?

Ken Fries: I don't know what we are doing for furniture when we get down here. The desks that we have up there are probably from 1940 something and you could probably make a fortune on the scrap metal. Each one has to weigh 600 pounds. I don't know what is going to happen for furniture down here. As I told the Commissioners, you tell us where we are going to live and that is where we live.

Paul Moss: Is the \$25,000 that you have for Furniture and Fixtures, is that it that you have on here?

Ken Fries: Yes. Is there a separate one for the jail?

Paul Moss: There is a Miscellaneous Equipment as well.

Darren Vogt: Can you let us know what page you are looking at?

Paul Moss: I am looking at page 16 and then it skips to page 60.

Ken Fries: Miscellaneous Equipment, \$50,000? That is another State mandated thing that you have to pay for and that is vests. I was paying for those out of Commissary before the State statute went into affect saying that you have to pay for them now.

Paul Moss: Okay, so who knows what the impact of the move is going to be?

Ken Fries: We won't have enough money. I pride myself on not having to come back and finding other ways to pay for it. If it is Commissary, then I will use Commissary. Commissary can't be used to supplement funds that are

supposed to be budgeted but a move doesn't really have to be budgeted so we can use some Commissary money for that. I try to be as creative as we can.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: In the letter that you passed out today, a couple of the items that you are trimming on are Overtime and Holiday Pay. Have you added additional Officers so that will cut?

Ken Fries: No. If you read the bottom line, we will use the unused salary line to fill the shortages in those lines. There are going to be shortfalls in those lines, guaranteed. When we go to hire a new Confinement Officer, Nurse or Officer, the process usually takes several weeks to get done. If by chance they fail a polygraph test then it will take several more weeks to get the next one in. While that position is not filled, that salary line is still there. We will use the money in the unfilled salary lines to reimburse these other lines.

Roy Buskirk: The one thing that I want to point out is that when Councilman Brown and I met with you, items that we thought of making cuts in were not affecting the sworn Officers. In other words, it would not be necessary to eliminate any sworn Officers.

Ken Fries: Right.

Darren Vogt: Councilman Armstrong.

Bob Armstrong: In here is a line item for Combined Communications. There was nothing there for 2009, 2010 and 2011. Now there is \$790,041.

Ken Fries: As I told Councilman Vogt, you can take \$790,000 out of my budget and I am a hero. Take the \$790,000 out and I will be happy to have it gone. I am not saving the County money. Somebody else has to pay for it. It wasn't listed in there before because it was dispatchers and the dispatchers were employees. Now they are CCP employees. They are not my employees and probably next year they should come out of my budget. They are no longer Sheriff Department employees. I think it was \$803,000 and we were able to drop it to \$790,000 but I think the County is still going to be responsible for \$803,000. That budget has to come in front of you and in front of the City Council to be approved.

Bob Armstrong: Are we saving any money?

Ken Fries: No.

Bob Armstrong: With the radio shop?

Ken Fries: Yeah, I think we will because we lost another employee. I think since I have taken over, we have gotten rid of five employees. I decided to contract with the City because it is cheaper to do that than to pay for an employee. We will save money doing that.

Bob Armstrong: How is that working?

Ken Fries: Very good. The city has been very good to work with. Mike Reichert has done a very good job. If the Officers have an issue with a radio, they get it in and they get it fixed. Mine was done in two hours. I am very pleased with how it is working.

Darren Vogt: Councilman Harris.

Tom Harris: Sheriff, in regards to the medical and hospital cost for the jail, you have \$850,000 in there. In 2010, you \$992,000 and then you dropped it and came back for additional money. Remind me of ways that we are trying to save or what do we need to do to cap, curtail or contain those medical costs?

Ken Fries: Our State Legislature just needs to do one thing. They need to put in the language from the 1997 Supreme Court Ruling in the State of Indiana that says we don't pay for pre-existing conditions. The County will save hundreds of thousands of dollars. As I have explained before, if a female comes in and it eight-and-a-half months pregnant and she has that baby while she is locked up, we are paying for it. The 1997 Supreme Court Ruling for Allen County said that the Sheriffs don't pay for pre-existing conditions. The taxpayers should not have to pay for the pre-existing conditions. The law that they put into effect in 2009 now says that we do. I tried to get them to change it when I saw the draft of it. I said it was a bad law and I sent stuff to our legislators last year asking them to please change that line. It needs to be changed to go in line with the 1997 ruling. They didn't change it. The Sheriff's Association doesn't get behind us on this because the smaller Counties are actually saving money. We had a deal set up where we were getting a better rate than what you normally would anyhow. The smaller Counties didn't and were just paying the normal price. When this law went into effect, the Medicaid Plus Four, they got a better deal. They have fewer inmates and we have 804 inmates. It is costing us a fortune. Maybe it's going to be two months, four months or six months that we won't have any medical issues and we can save money. Maybe it is a month where we have three people on dialysis and three or four pregnant women at the same time. It is

frustrating, as the Sheriff, to see that there are people who get arrested and get better healthcare than what you guys have.

Tom Harris: It is kind of that unfunded mandate concept. It is going to continue to grow, exponentially, if we can't figure out ways to reduce or contain those costs. Who is doing that within the Sheriff's Department to try to figure out how to keep medical costs down?

Ken Fries: We have a doctor on staff and we have a nursing staff. We do medical calls every day. We try to keep as much as we can in-house but you can't keep it all in-house. We have saved money by doing that and having sick call every day. When it goes outside of the jail facility and into the hospitals, it is going to cost money. Every day we are taking inmates to hospitals, every day.

Darren Vogt: Councilman Howell.

Kevin Howell: What about illegal aliens? How does that apply to their medical care or whatever the situation may be?

Ken Fries: It depends on if a Federal hold has been placed on them. Typically what happens is that they have to be brought in on some other charge. We will contact Immigrations Custom Enforcement, we are one of the only ones in the State that does that. Every time one of them comes in, we contact them and they may put a hold on them or they may not. If they put a hold on them, they are technically responsible for their medical care. Typically, they put a hold on them and within 48 hours the hold is released and they are released from jail and are gone. They don't get deported and go out into the wind to get arrested again.

Kevin Howell: Do you get reimbursed for that holding period?

Ken Fries: Sometime we do. I think the Bureau of Prisons is the one that takes care of that and there is a certain amount of time that they stay without the BOP covering the cost and then they wind up covering the cost.

Kevin Howell: If there are medical conditions, while they are being held, do we have to pay for it?

Ken Fries: Yes we do and then we get reimbursed. Federal inmates, the Feds pay for it. The State inmates, if they have already been sentenced to the DOC, they reimburse us for the medical cost. There are very few DOC inmates. DOC's are the ones that are sentenced and we wait for the abstract from the Court and we get rid of them as soon as we can. We don't want them

in our jail. We are overcrowded and we try to get as many gone as we can. If we didn't have Community Corrections and some of the other programs, you'd have twice the amount of employees and twice the size of the jail and twice the budget.

Darren Vogt: Councilman Moss.

Paul Moss: Who initiated the change in the law in 2009?

Ken Fries: I think Tom Wyss or Phyllis Pond. I think they were co-authors.

Paul Moss: Why would they do that if it had such an impact on Allen County?

Ken Fries: They thought it was going to save money.

Paul Moss: You mean the switch to the Medicaid rates?

Ken Fries: Yes. They thought that would save money. The whole idea about the pre-existing conditions, I brought it up to them but I don't think it mattered. I don't think they saw that as a big issue.

Paul Moss: But you are confident that the pre-existing condition is part of the State law.

Ken Fries: Yes. As it explained the law, when it went into effect, it had some examples and pregnancy was one of them.

Paul Moss: Well obviously it doesn't have any impact on 2012 but it seems that it should be a legislative priority, even from the provider. That doesn't make any sense for the County to have to pay for pre-existing.

Ken Fries: If they are going to the hospital, someone has to pay the bill. I don't think it should be the taxpayers.

Tom Harris: From a provider side, that might make sense. They are getting somebody to pay for it versus no one paying that bill.

Paul Moss: One could also argue that the folks that aren't paying taxes might have more of a moral obligation to provide care for those inmates. Maybe that should be part of the legislative discussion.

Ken Fries: Those are all things that are out of my control and make our budget go up. Unfortunately those are the things that make the budget go up

and then the Officers are the ones who pay the penalty by having to pay more into their retirement.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: You said that there are 124 sworn Officers. Do all of them have take-home vehicles?

Ken Fries: No. The vast majority of them don't. The Warrants Division splits cars. I don't know what our fleet is, maybe 70 marked cars. That includes the jail vans too.

Darren Vogt: Council, I am going to ask some questions here. The line items that you looked at and thought you would be able to use from your unspent monies from 2011, I am assuming that you made those projections now. Comparing the dollar amount of unexpended budget appropriations, in 2010 it was only \$54,000. In 2009, it was rounded to \$230,000. In 2008, it was \$136,000. It was \$262,000 in 2007 and \$141,000 in 2006. The cut that you have made to line items equals \$363,000.

Ken Fries: Right.

Jackie Scheuman: Darren, you have to look at the jail and Work Release.

Darren Vogt: So the rollover doesn't include both of those?

Jackie Scheuman: On this rollover sheet, you need to look down here at the jail which was \$400,000. The jail is the majority of the unexpended in salary lines.

Darren Vogt: Got it, okay. I will say that you have rollover and we should be okay on that end. The concern that I have is sworn Officers doing duties that don't need to be sworn Officers. Have you looked at that? Have you looked at outsourcing? We have looked at some of those kinds of things. Help me understand why that doesn't work. As I see it, if we cannot use Officers, we can probably do it for less.

Ken Fries: When I took over it is interesting, I think there were seventeen regular Officers working the jail. Every Sheriff that I ever worked for was trying to get regular Officers out of the jail and none of them did. It made no sense to me that they were paying a Police Officer to work the jail. Jailers make less than the Police Officers. Get them out. None of them did except for me. It was a fairly simple task. We have Confinement Officers working there and they can be trained to do transports. We can send them through the

programs and get them trained. We train them in-house and they can do transports. We were able to get from seventeen down to seven regular Officers at the jail who are doing transports. The other ten of them are out doing what Police Officers should be doing. The Warrants service is a lot different than what it used to be. We probably have more drug arrests from the Warrants Division than any other division and even more than Vice and Narcotics. In the old days, if somebody had a warrant for them and they ran from them, they didn't arrest them for the fleeing. When I took over, I said no, no, that is a charge and you arrest them for it. When you are in a house serving a warrant and you see illegal activity, arrest them for it. They make more drug arrests than anyone else. Society nowadays, and I am not sure why, seems to believe that if a Police Officer comes into your house and there is marijuana sitting on the table that it is no big deal. To us it is a big deal and they arrest them for it. If you are going to have civilians doing that, you are not going to have those arrests and those drug charges. We continue to use Warrants Officers. You have to realize that the majority of our warrants are probably read and done by the City. When they have a traffic stop within the City, most of our warrants are within the City limits. Traffic stop, warrant arrest, they go to the jail and get arrested on the warrant. The City guys do that arrest. It is not only us but also the City doing it. We just had a discussion this morning about extradition. We spend a lot of money extraditing prisoners back to the State of Indiana or back to Allen County, from around the State or from other States. It is frustrating for us because we will spend the money to get them back here, get them to go to Court and then the cases are dismissed, released on their own recognizance or they bond out only to flee again. Though the Warrants Division suggests that we do not extradite as many people or from as far, I have a philosophical problem with that. We, as the Police, are supposed to arrest bad guys. They haven't done what they are supposed to do and we are supposed to arrest them. It is up to the Courts to do what they do with them. I have a very difficult time saying that we are not going to go pick up a guy, three Counties away, for a crime that he committed in Allen County because the Courts won't do anything with him. That is not our job. Our job, as the Police, is to arrest bad guys. The Courts take care of the justice. My parents have a place in Lagrange County. I can commit a Class A or Class B Misdemeanor in Allen County and go stay at their place and not have to worry about going to jail? I'm 35 minutes away. Is that right? Not as far as I am concerned. We look at everything that we can do to try to save money.

Darren Vogt: Let me ask specifically about gas. You have gas going up from \$400,000 in 2009. I am going to give you an example of a guy who is working off-duty and he is working an eight-hour shift. He is sitting in a parking lot at a bank or a ballgame and that car is running.

Ken Fries: It better not be.

Darren Vogt: They are.

Ken Fries: Then I need to know about it. If I get a report of that, the guy gets his car taken away for 30 days and he gets suspended. Believe me, it doesn't make them happy but I tell them that it is taxpayer money and we don't sit there and let the car run. It is a simple thing, shut the car off.

Darren Vogt: You guys drive a lot of miles. The County is big and I get that. What are you doing to look at the amount of miles that are driven on-duty versus off-duty? That car is a perk and it is used personally. That is okay and I understand that it deters crime and I am not arguing that part. What I am looking at is that as things get tighter and tighter on the fiscal budget, we have to look at ways to save funds. If they are putting on just as many miles, maintenance and wear and tear on the private side as they are on the public side, then they need to be charged for it accordingly and pay for their own gas or whatever. We have to find ways to do that. Have you looked at the mileage?

Ken Fries: Yes, people had to keep track of the mileage that they drove on-duty and the mileage off-duty. You may think they are out there driving the cars all the time when off-duty but most of them aren't. You don't want to load your wife and kids up in a squad car and then have to go to a bad accident someplace or to a domestic where there may be shots fired. You don't want to have that happen. I go back to, if we had enough Officers out there, I would say that they don't need to have take-home cars. Allen County is the largest County in the State of Indiana. It is 660 square miles. There is an average of four to six Officers out there working.

Darren Vogt: So to answer the question, you currently don't track mileage.

Ken Fries: No, in fact, the cheapest Policeman you will ever get is driving a marked squad car, going from his house to the Y. If he is close, he has to respond. You are not paying him overtime and you are not paying him anything to be out there doing that. What crime gets deterred, I don't know.

Darren Vogt: You are saying two different things there, Sheriff. You are saying that they are a cheap Police Officer but yet you are trying to make sure that they are not using the gas. All I am asking is that we have to make sure that we don't have that. If you are not tracking the miles anymore, then we have no way of knowing how many miles those folks are driving off-duty.

Ken Fries: Right but are you really going to know anyhow?

Darren Vogt: Sure you are. You are either on-duty or you are off-duty.

Ken Fries: I know the City has done this before and I will tell you what happened. The on-duty Officer would drive fewer miles. They would say that they are not going to drive miles so that they can save the City the gas money. They would sit someplace and that is not Police work. We can track that and see what the numbers look like. Going back to not using so much gas, that is sitting somewhere parked. You don't sit and let your car run. If you want to keep it warm, too bad and if you want to keep it cool in the summer, too bad. That is taxpayer money and we are not going to do that. I know they are not happy when I give them days off and suspend them but I do. It is one of those things that is so simple to do.

Darren Vogt: That is good to hear and I appreciate that. As a taxpayer who has seen it recently...

Ken Fries: I ought to be getting calls.

Darren Vogt: As I look at these things, we have to look at ways to save money. If we have got something, they have a take-home car and they are abusing it and I am not saying that they are, if we have a mechanism in place, we can do it one of two ways. You can have the conversation with the one or two Officers or blanket that everyone is going to pay for gas. I am not a fan of blanket responsibility for everybody. We need to make sure that we have some sort of mechanism in place to track that. I am not saying to drive less. I am saying to track it.

Ken Fries: I can tell you, I have a marked car and I stop and do stuff.

Darren Vogt: Stopping and doing stuff is not going to create more miles. You are at the scene...

Ken Fries: I take mine to the Y. I had my youngest son with me one day and was on Gump Road. Luckily I had my squad car and a Police radio. They had an ambulance run on Gump Road just off Auburn Road. We were at Coldwater and Union Chapel. I got there first and did CPR. Luckily she lived. I don't know what that is worth.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: Following that same line of questioning, on the sworn Officers that have take-home vehicles, do they all live within the County?

Ken Fries: Yes. Nobody takes them out of County. If they live out of County, they have to park them and usually that is at 4-B.

Darren Vogt: Councilman Armstrong.

Bob Armstrong: I don't know how you do it but the City has A-shift, B-shift and C-shift. On any given day, how many patrolmen do we have on the street?

Ken Fries: Six.

Bob Armstrong: That is for the whole County?

Ken Fries: Yeah. We did studies to ask the public how many they thought were out there. I think the average was thirteen. We have the Citizens Academy and I talk to them and ask the same question. Most of them are saying 40 or 30. When we tell them how many are really out there, it is like wow. We work with it because the off-duty guys are out there. I had an armed robbery one time and I was one of seven. There was one on-duty car there.

Bob Armstrong: I hate to ask how many are going to be on B-shift then. If we are at six on days, which I figure are high priority run days, and C-shift is high with the bars closing...

Ken Fries: There are fewer on C-shift.

Bob Armstrong: Fewer than that?

Ken Fries: Oh, yeah.

Bob Armstrong: Me, personally, I commend you for covering the County with only six Officers on the street. That is amazing.

Ken Fries: That is part of the reason that we drive so many miles. When I was on C-shift, I would average 200 to 250 miles a night.

Bob Armstrong: The scary thing that I just thought about is that when you are covering a County this big, there are six cars on the street and you run the option of the accident that happened a couple of weeks ago responding to a domestic call. You are here and it is there and you are flying across the County to get there. I appreciate the work that you do.

Ken Fries: Thank you. It would be nice to have two-man cars out there. It would save us when there is a family fight because we wouldn't have to send two cars. We don't have the manpower.

Darren Vogt: Councilman Harris.

Tom Harris: I want to reiterate that too, thanks for all you do in keeping this community and this County safe. Obviously you have the largest budget of \$20 million and with that, it probably has the most eyes on it. No one up here wants to micromanage and get into details and line items but that may end up happening. We need to figure out some ways to save and assist you in that process.

Ken Fries: I will be happy to go line-by-line, if we have to.

Tom Harris: Some said yesterday that it is a tough role that we are in up here. I think that this is relatively easy in terms of making some of those decisions but the challenge has come for the Elected Officials and Department Heads to live with those decisions. The challenge lies there and not up here. We are not doing anything on a personal basis but we have to look at those largest departments and figure out ways to save money. Thank you.

Darren Vogt: Council, are there any further questions? Sheriff, thank you very much. With that, we have the Commissioners. I have Building Department, IT, Human Resources and Building Maintenance. If you have an overall deal that you want to do, we want to take them in the order that they are in our books.

Bob Armstrong: That is what you are covering, those four?

Darren Vogt: Yes, those four.

Nelson Peters: Basically, our overview would be of those four and if you let us get through the entire presentation, we can go back and talk about each respective department.

Darren Vogt: We will try but I can't guarantee that it is going to happen because you know how Council likes to ask questions and sometimes it is easier to ask them in the middle.

Therese Brown: Thank you Council. I am Allen County Commissioner
Therese Brown.

Nelson Peters: Nelson Peters, Commissioner.

Therese Brown: What we gave you when we submitted our 2012 budget was not only our budgets that cover the departments that we oversee but also the departments that we oversee in our day-to-day operations. We decided to do this budget process in a little bit different fashion. We decided that it would be appropriate to look at all of our departments collectively and find scales of economy through those departments to what benefit, one department might be doing something and if some of you saw the press conference that we had this is like the beginning of the journey. We have been going through and looking at best practices and possibly elimination of unnecessary functions that we may be performing. That said, the Building Department was asked to cut \$70,549. We submitted true cuts that we were able to make of \$46,264 but are appealing \$24,285. IT has submitted a cut against a \$237,961 request and was able to cut \$111,821 with the remaining \$126,140 under review. Human Resources were requested to cut \$25,005 and were able to cut \$13,459 with the remaining amount to be reviewed of \$11,549. The last department, Building Maintenance was requested to cut \$232,484 and was able to cut \$90,054 with the remainder of \$142,430 to be reviewed. What you are seeing is that aggregate-wise, our four departments were requested to cut \$565,999 and were able to cut \$261,598. The remaining amount was \$304,401. I will go through the Building Department. Commissioner Peters will refer to the IT Department. I will then talk about the HR Department and then Commissioner Peters will take on Building Maintenance. We have the Department Heads here if there is anything that we have missed and they will be glad to answer any questions. Purchasing is not on this list. Purchasing was able to meet the requested amount of cuts that you had put before them as well as go below that amount. Subsequently, when we looked at the departments in aggregate, though it was requested of \$304,401, we still had that department come before us and sit in a collective meeting to discuss what they were able to cut and what they were able to go beyond. What we would like to suggest is that when we went through this process, we would like to entertain the potential of a credit. This department with its benefit of going through and closing the Print Department, not having to replace equipment and other efficiencies that they were able to make that the amount from \$304,401 would, in actuality, be \$247,423 that we would be able to work from. Getting to the Building Department, in the review of that particular department, the cuts that they were able to make due to co-location, they were allowed to reduce maintenance cost that they had in the other building. Telephone expense, blueprints, reference books that they are now doing online versus purchasing the actual reference books and with the purchase of new vehicles, they still have eight vehicles that are currently under warranty. They were able to reduce the need for maintenance dollars for that particular line. In review of that department and what would be able

to, in essence, get them to the dollar amount that you're requesting, it would take the reduction of staff personnel. One of the individual positions that was discussed at great length was a position that currently handles primary phone functions between utilities and completion of permit processes. The elimination of this position would have the tasks integrated to the front office staff. That staff would already have duties on the front end of handling consumer calls and interactions at the front counter. We would respectfully request that if you are seriously considering the cut of personnel that we take into consideration the permitting process that, through a lot of dialogue with County Council, the City of Fort Wayne and the Accela upgrade, at this point in time the reduction of personnel may possibly send a bad signal to those that we are trying to improve the process and by eliminating a position, it may make it a little difficult to get some of the advancements potentially found through the committee's endeavors. If that could be taken into consideration, I suspect any improvement that could be found through this new process, the Accela system and workflow, you would find whatever savings and the cut that needed to be made could be made at a later date. That consideration would be appreciated. I know turn it over to Commissioner Peters.

Nelson Peters: I would like to add a couple of points to that and that is to Commissioner Brown's point. Customer service is one of the things that we really tried to emphasize in this whole permitting thing. When we talked to Mr. Fuller about what the downside would be in reducing the budget further, he suggested that three or four people would have to pick up additional duties. That is possible but he also brought to our attention that customer service would suffer and there wouldn't be people potentially getting to the counter as quickly as we had hoped they would. Additionally I think I need to add that the Building Department is a department that has traditionally paid for itself and has probably added more to the General Fund than what it has actually taken out. To Mr. Fuller and his team's credit, if you look at his budget, he has decreased his budget successively every year since 2007 to ride the times that we have all been faced with from an economic standpoint. Let me talk a second about the IT budget. The IT budget, as you probably know, pretty much serves about 90% of the County. It is a departmental thing where there are departmental requests, refresh and a number of things. It is not just for the administration of the IT Department. About seven to ten percent of that budget actually serves the administrative portion of the IT budget. There are a couple of things that could be done and as Commissioner Brown said, there has already been about \$110,000 that has been cut from that budget pursuant to your request. There are a couple of other bites that could be taken but we are asking not to have taken. One of them is to change the server support to next-day service as opposed to the four-hour turnaround that we currently enjoy through the contracts that we

have. That could potentially save \$20,000 but in doing so, you are looking at getting to something that right now we are guaranteed to have done within four hours to potentially putting it off until the next day. The other thing would be somewhere around a \$15,000 cut to fix a number of things that people come to him and have an immediate need to fix right now. You could put that into departmental budgets or you could leave it with the IT budget or you could cut it but the consequence of cutting it, we believe, would be more costly. We wouldn't be able to go out and fix the computer services as quickly as we otherwise could. The third change is around \$95,000. That would be to eliminate two positions and those are the Program Managers. In doing so, we believe that would be a huge detriment to the County. When Premise did the initial contract work for us, they were the company that came in to look at where we were at and to where we are going on a contractual basis. They suggested, at the time, that the model that we currently enjoy was the perfect setup for an organization such as ours. That was to have most of the computer work done by a company like Atos but to still have the internal grasp of what is going on. That involves the Director of IT as well as the two Program Managers. Just to talk about them real quick, in our contract with Atos, we have an agreement that says that projects that they incur over 40 hours get charged back to the County. Any project that they can do in less than 40 hours is part of the contract. Anything over 40 hours gets charged back to the County. If you look at number of things that could conceivably had been a project of theirs that would have gotten charged back to the County, I am here to tell you that we have saved about \$205,000 because we have those Program Managers onboard. Those include things like JTAC, Accela and the property tax work that has been done, imaging, the Fiddler Platform, the County 3-1-1 research that has been done and a myriad of other things. Had we gone back to Atos, under the current contract structure, and told them we needed to have those things done, they would have charged us \$205,000 for the work that we are currently enjoying at the cost of those two Program Managers.

Therese Brown: In addition to that, when we discuss server support, we would have to make sure that we are cognizant that some of those servers are sensitive in nature of data that would need to be maintained. We have the Courts and Spillman and certain things that are 24/7 and cannot go down. Just so you know there are sensitivities that need to be considered in that particular as well as the break-fix. One of the things with break-fix timing, depending on the item that needs to be replaced, if there is a lag time between the Council meeting and getting that particular item, that creates an issue in trying to make sure that things get taken care of. It also reduces control. If it is put back to the departments, we wouldn't have or have quite as much leverage and control over the purchases and maintaining the consistency of the product that is being bought. In line with not only what our

policies are in the Purchasing Department but also we are getting the best price without going out of sync, potentially. Then we have the HR Department. The HR Department, as I stated, made some reductions already but currently the only amounts that they would be able to probably reduce is in the area of training. You were gracious enough last year to offer them \$40,000 for training and they currently are in a two-phase process. There is training that is already underway the scenario of just upgrading systems and processes for departments. Those trainings are Leadership and Management and anything in regards to business, etiquette and anything of that level but also starting down the process of permitting. I know that Councilman Buskirk has raised considerable question about whether or not those dollars, in that vein, would be appropriate to potentially be split with the City of Fort Wayne. That particular area is a little bit different. The process that we are going through on the training phase one, two and three is literally for County employees at this time. The group that is going through training, and we are going to be working through phase one, two and three, is for the permitting group specifically because it is a hot area that everybody is interested in and want to make sure that customer training is being addressed. Unfortunately, if there is a cut, that is pretty much the only place that, if logical, you could cut. It would also mean that if you didn't cut there, personnel would have to be cut. I know that Commissioner Peters is really good in stating the percentage or number of personnel that are needed for the size of organization we have and we know that we are underserved in that area. I know that Councilman Harris has somewhat of a background in that area as well. These individuals, and we do have time and attendance records but I am not sure that we have them here, are generally working more than 37.5 hours a work week. Granted, they don't get paid overtime but they are here doing a variety of things to make sure that they are serving not only the Department Heads but also the employees of this County. Those are the only two areas, if there was a cut either way, that we feel would be damaging to the organizational structure and also to the product and service that they provide for this entity.

Nelson Peters: Just to add to that, and I know that Councilman Harris knows these numbers and I have been told before by some of my brethren on Council that we HR guys stick together and that we are going to pick the numbers that are appropriate. I think you will learn things from the side of Human Resource management and organizations like that and you look at one Human Resource professional per 100 employees. When you are looking at 1,500 employees here, I am here to tell you that we don't have anywhere close to that and I am not here lobbying for fifteen employees. We have seven on staff right now. The point that I am trying to make is that you are getting a very good deal through your Human Resources Department as it is structured right now. With respect to the training, we talked a lot about

customer relations and while I believe that customer relations are of pre-eminent importance as we deal with the people that we represent. We are doing things like supervisory training, employee discipline training, performance evaluations, diversity, time management and safety training. Those all fall into the training bucket as well.

Therese Brown: One thing that we want to make sure that you are aware of is that since placing our HR Director, she has been working very diligently with the City of Fort Wayne to look at different ways to leverage some of the programming and processes that they use. I know that they are currently in dialogue on some things and I would leave it to her to probably expand on that. One of the areas is going out into different environments and putting out the shingle that says Allen County-City of Fort Wayne is a great place to work if you are looking for employment. They will be going to job fairs and splitting that function so that it is getting covered so that we are able to leverage the best of the best. As a collaborative effort between both organizations, we can hit all of these areas in a systematic way and hopefully be able to gain some good quality employees.

Nelson Peters: Let me talk about the Building Maintenance Department. Let me offer up some additional cuts right out of the gate. Let me say that we understand what this Council has to deal with. We have to deal with the same issues too and that is to do more with less, in this day and age. We have asked our departments and will continue to do so, as they prepare for next year's budget, to push some of those initiatives. We asked Dan Freck and his team to go out and look at some of the contracts. I know that Councilman Buskirk will get a kick out of this one because he has pushed for it for a number of years. In looking at the cleaning contract, we are prepared to offer up \$49,000 in cuts from where we have been up to this point. Now, what that is going to mean is that there is not going to be as much cleaning done in the City-County Building as what has happened in the past. We teamed up with a company who is very diligent in their approach and very systematic in their approach in that they came back to us and suggested that we were doing too much of this and or too much of that. They put together a very nice schedule for us that took \$49,000 out of their pocket. They understood what we were going through and they were willing to talk about that. The additional cut that we are willing to offer at this particular time, and I hate to say that we may have to come back to you because I understand that there is not going to be any money, is that we are going to establish set points in the City-County Building for heating and cooling. They are different from what you see right now. It may provide a little less comfort for employees and for constituents that come in to do business in the City-County Building. We believe that in doing that, we can offer up another \$59,756. That would be a total in those cuts of about \$110,000.

Darren Vogt: Let me make sure that I've got that. That would make the Building Maintenance appeal only about \$32,000?

Nelson Peters: Right. With that extra \$32,000, what do we have left? We have employees. Again, the Building Maintenance Department is a department that doesn't really serve the Building Maintenance Department but serves all of us and it serves the needs of the City-County Building and the other 40 buildings that we are working to pare down. We all know the great job that the Building Maintenance Department does. I've been here six or seven years and I have yet to hear the first bad thing about that department in the service they provide and what they do for us and how they do it. If we cut into that, at this particular point, response times will be lowered to departments who are seeking things. I think less work will be done. I think that things we ask Dan for can expect to be cut significantly.

Therese Brown: I do want to add though when Commissioner Peters mentioned the utilities and set-points in the City-County Buildings that we control that it is not anything regarding co-location. One thing as well on the utilities, specifically for the City-County Building, this is going to be going into a 24 hour, seven day-a-week environment. We have no history, at this point, to be able to gauge what the added expense could be in the arena of utilities. We do need to have that kind of kept in the backs of your minds even though we may generate a savings. Hopefully the savings through other buildings and the set-points will be able to offset what that potential increase cost of the 24 hour facility would be. That is an unknown that we are struggling with. We have asked for information regarding Creighton and how much it cost to keep that place operational 24/7. Maybe we won't see quite an increase but it is an unknown that we are not aware of.

Nelson Peters: Just to try to tie this thing together, we were asked for these departments to cut \$304,000 and we offer up \$110,000 worth of cuts from the Building Maintenance Department which would get us down to about \$194,000. We are asking for \$57,000 to be credited from the Purchasing Department and I recognize that there could be some amusement in it but it is one of our departments that did go above and beyond what they really needed to do based on directive from this Council. This really leaves us standing before you asking for you to leave \$137,000 worth of cuts that you had requested for us to operate with in 2012.

Darren Vogt: Thank you, Commissioners, here is how we will take questions to keep this as organized for us so that we are not flipping back and forth between budgets. We will go down the line. We will exhaust our questions for the Building Department, then IT and so Dave, I am glad you are coming up.

At this point in time, questions regarding the Building Department only. Councilman Buskirk do you have a question?

Roy Buskirk: No, I was just waving at Dave.

Dave Fuller: I am Dave Fuller, Building Commissioner.

Darren Vogt: Dave, thank you very much for sitting patiently. We have no questions.

Dave Fuller: I have a couple of comments. One of the things that I think I submitted with the appeal was that we had a precursor to Accela and it was a system that we had since 2002. That was a custom-built system that allowed us to do a lot of statistical analysis through reports that were developed. When Accela came in, we transferred all of that information into Accela but we also developed those reports for Accela. We have a good history back to 2002 on everything from the number of inspections to total for the staff. There is the number of inspections per person and we can kind of calculate that any way that we want including all of the transactions that are handled at the front desk. We can track performance and go from year to year and there are a lot of options with that. One of the things that we have seen over the last three years particularly is the assumption that construction is also tanking like the economy. If you are in the construction business, you know that things aren't as good as they were. Our activity did not go down that much. We are doing more permits per year, right now, than we did in 2006 before the economy issues showed up. We did 8,000 more transactions last year than we did in 2005, 2006 and 2007. It is more than actually in 2002. We have done that at the same time as reducing our staff by five people over the last five years. As the economy went down, we expected reduced needs for staff. Consequently, on the field side, were averaging in 2005 and 2006, a little over seven inspections per day per person. They are now doing 9.8 inspections per day per person. We are more efficient than we were before. The clerks at the front desk are in the same situation. We have also increased our work hours from seven and a half to ten hours a day through split shifts and some creative staffing schedules. We are open from 7:00 in the morning to 5:00 in the evening in both the field and the office. That has allowed contractors to come here in the morning and homeowners to come in and get permits before they go to work or after work rather than everyone trying to come in on their lunch time. We have done a lot of different things that have been very customer service oriented. Reducing staff is going to take us the other direction. Ninety-three percent of our budget is either staff or cars. There isn't a whole lot of play in there right now without reducing staff. That is where we are at with the budget that we came up with.

Darren Vogt: And that is probably consistent County-wide. Council, are there any questions on the Building Department? Councilman Buskirk.

Roy Buskirk: One thing that we need to keep in mind with the Building Department is that your fees cover a large percentage of your budget.

Dave Fuller: It actually covers more than 100% of our budget. Before the economy started tanking, we were bringing in about \$1.9 million a year in fees and our budget routinely runs about \$1.4 to \$1.5 million. Our revenue now is in the \$1.6 million range and the budget is down to \$1.3 to \$1.4 million. We are still bringing in more than we are spending, from a budget standpoint.

Tom Harris: And customer service ratings are up.

Dave Fuller: We talked about that a little bit earlier. With the survey, it is hard to know because the surveys have a very small representation. There have only been about 90 surveys that have been turned in. Not all of those deal with the Building Department. It is really hard to know with what we have gotten so far.

Tom Harris: What happens next year when the number of permits really starts to take off, where does that leave you?

Dave Fuller: We will probably be back asking for more staff. There are trends that you can look at from across the Country. We are members of the International Code Council which involves all of the building jurisdictions throughout the Country. They have statistics that talk about what the efficient levels per hour and per day what the inspections are for the inspectors. There are standards that you can look at and determine and we are well over those standards. For us to increase inspections, particularly more than we have this year but do it with a reduced staff is clearly going to reduce the quality of the work and the efficiency of the work. Right now, all of our inspections are done in less than 24 hours. In concrete, we are averaging less than two hours. Those are the ones that people are waiting on the job to do something and so we make those priorities. Those response times are going to have to go up if we have less staff.

Darren Vogt: Council, are there any further questions?

Roy Buskirk: Just following up on that comment, is the fact that a lot of the inspections today are remodeling projects in which the physical inspection does not take near as long as if you are doing a new project.

Dave Fuller: That is actually not the case. Remodeling inspections are actually more difficult because you are working around existing conditions. In new construction, we go to do a framing inspection in a new house and everything is exposed. If we go to do a framing inspection in a remodel, not everything is exposed and sometimes we are crawling in attics to see and sometimes we are looking behind walls. That is one of the reasons that our inspections have not gone down. Our dollar value for construction projects has gone down dramatically and that is why our revenue has decreased. People are remodeling homes rather than buying new homes. They are still fixing roofs and doing new siding. There are some things that we do that are not mandated. We respond to complaints. We do minimum housing issues. If we get calls complaining about the condition of the next door neighbor's house, those aren't mandated by State law and those are the first things that would have to go if we have to reduce services. The things that are mandated, we have to stay with.

Darren Vogt: Councilman Howell.

Kevin Howell: What are you doing out in the County, in the rural areas and the farm areas?

Dave Fuller: It is the same thing. We do everything that is a State-wide code. Everything that is required inside the City is required outside. If a farmer is building a barn, he has the same requirements as someone building a garage in their backyard.

Darren Vogt: Council, are there any further questions for the Building Department?

Tom Harris: Just maybe one comment. You have probably been doing this for a long time but I am impressed with the number of stats that you keep on virtually all of the different services. That is ultimately how you are going to make improvements and continue to become more efficient. Good job on that.

Darren Vogt: Thank you Mr. Fuller. We will move to the IT portion, number 41. Are there any questions for IT?

Roy Buskirk: I have a quick question. Does the IT budget include Atos contract numbers?

Ed Steenman: Ed Steenman, IT Director. Yes, it does. The base portion of the contract is in the IT budget.

Darren Vogt: Council, are there any questions on IT? Councilman Armstrong.

Bob Armstrong: The new clock-in system, is that through you?

Ed Steenman: Time and Attendance, we are administering that deployment. We pay the annual maintenance.

Bob Armstrong: How much was that program?

Nelson Peters: It was less than \$100,000. That is one of those programs that one of the Program Managers oversaw. It would have cost us a lot more if we had taken it to Atos. It was significantly more than a 40-hour project.

Bob Armstrong: All right, thanks.

Darren Vogt: Along that same question, is everyone in the County required to do that?

Nelson Peters: We've got a schedule and we have been bringing them on about a department a month. Basically it is an 18-month rollout and the answer is no. Not everybody is at this point we believe that if they want a paycheck at the end of the 18-month rollout, then they are going to have to clock in.

Darren Vogt: All County employees who receive a paycheck will be required to punch in.

Nelson Peters: It is a little hard to administer from a rules perspective because we don't have any authority over a lot of the Elected Officials. The Auditor has helped us kind of push that issue.

Roy Buskirk: If I remember right, wasn't there something about buying 25 licenses in a package?

Ed Steenman: Yeah. Buying more licenses got us a better per-license cost.

Darren Vogt: Council, are there any further questions on IT? Councilman Harris.

Tom Harris: Nelson, you mentioned that the two Project Managers represented \$95,000.

Nelson Peters: Their wages are obviously more than that.

Tom Harris: Help me understand how you figured \$95,000.

Darren Vogt: I think it was the difference in the cut, I think that is what he was talking about. After the \$20,000 next day and the \$15,000 need-now fixes.

Nelson Peters: It is basically what it would cost us if we moved those positions into a contractual relationship.

Tom Harris: I see. The individuals won't go away, they will move into a contractual relationship.

Ed Steenman: Yeah, they will move from being County employees to being Atos employees. Atos currently has two Project Managers on their staff and serve the City. The end result would be that they would have a total of three. There would be one reduction in the total Project Manager count.

Nelson Peters: Let me suggest to you again, from my perspective, that we have had some discussion about doing exactly that. I am concerned that in doing that, potentially the County loses control and we move away from the model that Premise suggested. I also think we end up in a situation of a contractual arrangement where we are paying for projects that take 40 hours and more. I think we would be stuck in the same boat with those folks.

Tom Harris: I wasn't ready to vote or go in that direction. I just wanted to understand that number.

Therese Brown: In the information that you received, there would be a reduction to the IT budget but an increase in the contractual amount. The contractual amount would be one-half of the total addendum to the contract because those costs would be shared with the City.

Darren Vogt: Council, are there any further questions on IT? Thank you, Mr. Steenman. Human Resources, Cathy, you are next. Human Resources is Department 43.

Cathy Serrano: Good morning Council, Cathy Serrano, Director of Human Resources.

Darren Vogt: Councilman Armstrong.

Bob Armstrong: Nelson, the customer service thing that is going on for employees, what is the actual cost of that program?

Nelson Peters: I will let Ms. Serrano answer that.

Cathy Serrano: What we are doing with that is we are grouping like-departments together as best we can. It depends on how many groups are going through because there is a limit we want to have per class. As each group goes through, we do a separate contract for that group. The top price is \$6,900 for that contract which includes all of the phases of the training including follow-up at the three-month and six-month level. For some of the contracts, if there is going to be a smaller group or we can streamline that process further because we don't need the observational phase or that portion of it, there will be a reduced cost. We are doing it contract by contract by contract so that I can phase it out over the entire period 2012 rather than incurring all of that cost in one fell swoop.

Bob Armstrong: So we don't have an actual total cost of the program.

Cathy Serrano: If everything goes as I currently have it planned, the total cost will be \$42,293.

Darren Vogt: Let me interject something.

Cathy Serrano: That is because one of the contracts is a smaller one. Most of them are \$6,900 which is kind of the standard rate. A couple of them are coming in under that and so that is where that odd figure came from.

Darren Vogt: We gave money last year, \$40,000 for training.

Cathy Serrano: Yes, that is where I am getting the funds to do this training. Also in the training we are doing other things and part of those funds will be encumbered this year because I am already doing some of these contracts.

Darren Vogt: That is what I was getting at.

Cathy Serrano: The entire amount is not coming out of next year's budget, it is this year and next year.

Darren Vogt: Right, which is what I was getting at with Council that there will be an encumbrance on this one because it won't be done this year.

Nelson Peters: Again, that is not all for customer service training. These guys are tasked with doing a lot more than the customer service piece.

Cathy Serrano: We are putting emphasis on the customer service training initially because we want, and I have been given a mandate, the entire County is to focus on customer service and we want to have that paradigm shift not just on the permit departments. We all serve the community and we

all have customers. We want to do that County-wide and so I have an emphasis on that right now. We do have other trainings that we will also continue to do.

Darren Vogt: Council, are there any further questions? Councilman Moss.

Paul Moss: Does the Sheriff's Department still have their own County HR folks?

Cathy Serrano: There is an individual in my department that specializes in servicing the Sheriff's Department but they are my employee. We have a satellite office in the Sheriff's Department but she also has a smaller cubicle in my department. She is also training to become our Recruiter. We are changing that around a little bit from what we anticipated. I am going to be taking a more active role in the recruitment process which I believe Commissioner Brown already alleged to.

Paul Moss: So it is all pretty much consolidated in your office now?

Cathy Serrano: Yes it is.

Paul Moss: That's good.

Darren Vogt: Council, are there any further questions for HR? Councilman Buskirk.

Roy Buskirk: In following up with that, there are no other County departments that have an HR Department?

Cathy Serrano: No. Very few departments would be quite as complex as the Sheriff's Department because of all of the Merit Board systems. They actually operate with five separate handbooks in addition to our handbook. Some of our rules apply and some of their rules apply. Their Code of Conduct rules are far more extensive than ours. Their hiring procedures are far more extensive than ours. They go through a two-year process for hiring a Patrol Officer, for example. It actually does take a lot more work than you might think. They are the only department that would have that kind of specialized need.

Roy Buskirk: Okay, but like the Coliseum is all through your HR Department?

Cathy Serrano: That goes through us.

Darren Vogt: Council, any further questions? Thank you very much. Next is Building Maintenance.

Dan Freck: Dan Freck, Director of Buildings and Grounds.

Darren Vogt: Council, questions for the Commissioners and Mr. Freck. I will start. I like the idea of coming to the table with another \$100,000 in additional savings. The one thing that I want to make sure that we are doing is not making our employees uncomfortable. That would be a concern because they would become less productive if they are not comfortable. We should realize some savings eventually when we get rid of the additional buildings. Are you taking that into account or not?

Nelson Peters: Not at this point.

Darren Vogt: Eventually we are looking at getting rid of three buildings?

Dan Freck: Yeah, there is one on the market right now which is the TB Clinic at 2040 South Calhoun. That is roughly a 1,000 square foot building and those individuals went out to New Haven Avenue. That building is quite larger than what they originally had but some of that staff came off the fifth floor and some other small departments all moved out there. The TB Clinic went on the market less than a year ago. We have only had about three individuals look at that building. We do maintain that building on a smaller scale utility-wise and outside maintenance-wise. The one at 226 West Wallace will go offline once that part of the Atos Department comes back and they occupy and where the old Print Shop used to be. That building will go to sale as well. There will be one more building, based on co-location. When those individuals come over, that building will go for sale. It will be 113 West Berry or 1 West Superior.

Darren Vogt: And the Kidder Building as well.

Dan Freck: The Kidder Building and all of that is supposed to come down into the part of the basement and the old Commissioners' area on the second floor. That is part of the co-location program that we were not sure about as far as utility goes. When all of us were still over there, it was very easy to shut down nine, eight and seven as we cleaned. Some of those floors are being occupied by the City side and they are asking for longer hours. Fifth floor is the Crime Lab and part of third floor is all on the west side of two. The west side of one, those departments will generate longer hours than what all of us used to have. Those are the ones that we don't have the information on from Creighton Street and their hours of operation. The two meetings that I had with City Police, those are the floors that they are suggesting that they need

more hours. We were able to save on the cleaning contract. We always had to have a lease agreement with the City and we don't have that agreement right now. We restructured our cleaning contract to accommodate what was best for us. They agree that it will work well for them. They are still going to get a good service with the company it is just that we are a little bit more proactive in how we approach our cleaning. Our utilities are going to be basically the same. We had seen flaws throughout our own department to where the stats were a lot higher than what we deemed them to need to be just because of one or two individuals. That has all been cleaned up under this remodel. We are getting a little bit better at everything. Our chillers are coming in and will be more economical. We can do a little more scheduling at night to save more energy. One flaw of that is that the equipment still maintains the Courthouse. When you see natural gas being higher, we have to take into account that we do service two buildings. You have to add another 100,000 square feet when you do the math. Dealing with Keystone and Columbia Street, everybody that we have talked to has always come forward to say we could cut here, we could cut here or change this or change that, motion sensors have been put in and switches have been taken out. I do feel that we are getting a lot better. We have picked up additional square footage with the Kelley House coming online and New Haven Avenue has come online, they still have the same amount of people. When the Print Shop went down, some of that equipment was able to go to other departments. We have been called upon to fix some of that from time to time. I think we are going to get better but utility-wise is utility and you can't predict the weather or control it in any way. We do what we can do.

Darren Vogt: Councilman Armstrong.

Bob Armstrong: How many County buildings do we have?

Dan Freck: The rough estimate is right around 37 to 40 buildings.

Bob Armstrong: All right. Out of them, how many have backup generator systems in them?

Dan Freck: I have generator backup system on seven or eight of them.

Bob Armstrong: Do you foresee putting on any more backup generators in any of our buildings?

Dan Freck: The original CO-OP Plan for emergency disaster had asked me to locate at least three buildings that will be sites for emergencies. Those buildings are already in place. There will be one generator that will go offline

and that is Kidder. What we would normally do to that one is to take that better generator and put it into the next one that we need.

Bob Armstrong: We are not going to get rid of it. We will use it.

Dan Freck: We will use it. I don't foresee any unless we have to do an out-of-line one but right now our Highways, the City-County Building, Community Corrections, the City-County will inherit another generator from Creighton Street. The tower side will have to be generator powered. It is a City generator which will be turned over to Allen County and so we will own that generator. It will come online with preventative maintenance in 2012. That is another contract that we are negotiating starting next year. We will have another contract that we will be negotiating which will be for elevators. We will see a savings in that one due to Kidder and the escalator being removed.

Bob Armstrong: Thanks.

Darren Vogt: Councilman Howell.

Kevin Howell: How many buildings are going to be up for sale, would you estimate? Are we going to be selling any that we don't need?

Dan Freck: I look for three right off the bat.

Kevin Howell: What are they?

Dan Freck: That will be the TB Clinic, which is on the market right now, 226 West Wallace, which is a building that we use for Atos and those people are coming back. Also either 133 West Berry or 1 West Superior and the Kidder will be shut down and could be sold because it is part of a plot of land. It will go just down to utilities.

Kevin Howell: Do we own Irene Byron?

Dan Freck: Yes we do.

Kevin Howell: What are we doing out there?

Nelson Peters: We are currently in the process of a phase two environmental study to remediate some of the issues that have been identified out there at Carroll and Lima Roads. There is about 100 acres. The next step, once we have it to the point where we believe it is cleaner than it is right now, is to engage a developer. We have already had some discussions and will help give us a better understanding of what the best return on that land will be.

Ultimately, whether it is five years or ten years, I believe that it is the desire of the present Commissioners to sell that and get the best returns that we can. We don't know if that will be from residential or commercial or a mixture of the two but it certainly is in the back of our minds. There are a lot of moving parts to that and you have identified one and that is the facility and the people in the facility. We have other issues with Highway barns and other things that have moved out to that north complex over the years. There is a lot of work to be done, no question about it. Given where the real estate market has been in the past and currently, we can get ready right now for when the real estate market breaks.

Kevin Howell: Are there any environmental, flammable materials in the soil that needs to be cleaned up before it can go for sale?

Dan Freck: We have already done that. The only building that we will still have to do a study on is the Byron Hospital. Soil-wise, no problems but there are some interior issues which would be the insulation package on steam lines and stuff like that. That is for any buildings that were built from 1929 to 1952.

Kevin Howell: It is structurally sound?

Dan Freck: It is structurally sound. We have done our studies with an organization called GAI. We found some issues and cleaned them up last year and we got a clean bill.

Kevin Howell: It looks like it could be sold for quite a lot if it is...

Dan Freck: And also there are two additional buildings out there, Solid Waste needed a building and a pole barn was built. The Department of Health needed an additional building for storage and so they combined under one roof. Those buildings were all put in the same proximity to where that section of land could stay put and it freed up a lot more land that could go to market.

Kevin Howell: For the three buildings that you just mentioned, the Kidder Building in particular and this is a leap of faith, is there a market value assigned to those buildings yet?

Nelson Peters: Not the Kidder Building but there has been an appraisal done on the TB Clinic and on the Wallace Street Building. I don't remember offhand what they were.

Roy Buskirk: Aren't they currently on the market?

Dan Freck: Yes. I believe the TB Clinic might have been roughly at \$120,000.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: The one thing I am curious about is what is the new cleaning contract for the City-County Building? You said you saved \$49,000? What is the current total?

Dan Freck: The contract originally started out at roughly \$454,000. That is not just the City-County Building but all of the buildings in the downtown area. That contract went down \$49,000.

Roy Buskirk: So it is around \$400,000.

Dan Freck: I believe \$403,000 or \$404,000, right in there.

Roy Buskirk: Is that still the same firm out of Indianapolis?

Dan Freck: Yes. The main headquarters is in Indianapolis and they have an additional headquarters in Industrial Park.

Roy Buskirk: One more question, Dan. In looking over some of the other budgets, Councilman Brown and I spoke with you last week, the jail has a building maintenance manager and maintenance worker. Are there any other buildings that have their own staff not underneath the County Building Maintenance Department?

Dan Freck: The Allen County Jail has their own maintenance staff on a level to where they can do a majority of that work. We do go and assist once in a while for the major projects. The Allen County Juvenile Justice has their own staff. We only support that building with equipment to help with parking lot lights or whatever. I don't do too much work at the Memorial Coliseum. We do get a call once in a while to help locate utility lines because we have that equipment. All of the other buildings throughout Allen County, my staff maintains those.

Roy Buskirk: I think the Commissioners need to take that into consideration when they are looking at expense to combine the staff in the jail and the detention center to all be under one department in the County because of individuals going on vacations and filling in and things of that type. I realize that you mentioned last week that the Sheriff wants the people working in the jail to have some security training and everything but yet you still send employees down there.

Dan Freck: We help on major things. We had some higher capacity water heaters that we helped them maneuver them in and out and issues like that. I think about seven years ago there was a plan set in place to look into one Director. I am not sure where that issue ended up at but we know it does not exist. I don't know if it had to do with their own personal budgets, I don't know.

Nelson Peters: We have actually made those overtures in the last few years and have met with resistance.

Darren Vogt: Council, are there any further questions? Thank you very much.

Roy Buskirk: I wasn't done with the Commissioners.

Paul Moss: Me too.

Darren Vogt: Did you just have general questions?

Paul Moss: I can wait if you want me to.

Darren Vogt: Commissioner Brown, don't go too far. We still have discussions of CEDIT and CUM CAP. It is 12:20 and my question was what the preference is of Council. Do we want to break for lunch here? I think that would be a good idea. We will have them come back because they are probably going to be here, I would guess. We will recess until 1:30.

Recess.

Darren Vogt: We are reconvening the 2012 budget hearings and appeals process for Allen County government. Council, what we will do this afternoon is we will finish our conversation with the Commissioners on their respective departments and any additional questions we would have. Then we will walk through CEDIT, CUM CAP, Local Roads and Streets and Major Bridge. Then we will go into our discussions of the appeals that we have heard over the last two days. We will set the dollar amounts that we feel are appropriate for the 2012 budget and then we will adopt that budget in our October Budget Adoption which is the same time as our regular meeting. Are there any questions on that?

Tom Harris: All final numbers are due today. Are we deciding on all final numbers or do we just try to get that headed in the right direction?

Darren Vogt: Final numbers will be today unless some department would happen to have additional cuts that they would find and love to bring forward. We can entertain those until the October deadline.

Roy Buskirk: Does that have to be advertised or anything?

Tera Klutz: What?

Roy Buskirk: The final numbers before the October meeting.

Tera Klutz: We advertised our budget on September 2nd and September 9th and you may not go over those numbers but you can always go below. We advertised the hearing dates as yesterday and today and the final adoption date as October 20th. We need no new advertisements unless you would choose to meet again on a different day between now and October 20th because you just were not able to get things done.

Roy Buskirk: Okay.

Darren Vogt: With that, we have questions for the Commissioners. I know that Councilman Moss had some questions. Do you want to start?

Paul Moss: Do you want to start?

Darren Vogt: Okay, Councilman Buskirk.

Roy Buskirk: My question was to Commissioner Brown in reference to the current status of working with the City on the Plan Commission revenue. I think now it currently is that the County pays 60% and the City pays 40%. I understand that those numbers are being tweaked.

Therese Brown: What Councilman Buskirk is referring to is the three-year agreement that is currently in place regarding Land Use and the combined Land Use Department between the City and the County. Councilwoman Brown and I, ironically, have requested information in specific areas of data that would have been collected over the last three years since combining the City and the County. To date, I have not received that information from Kim Bowman's department. In light of those things, obviously we will have data to go back and possibly look at those percentages that might potentially even out. This goes back to how many permits are issued and the review process that is specifically in the Land Use area. Some of the things that you guys are also going through on your committee as well as Plan Commission is all of the ordinances that are in place currently and trying to mirror those as best

we can between the two processes. I have not yet received that information but will be following up with Kim Bowman.

Roy Buskirk: Correct me if I am wrong but the original 60-40 split was based upon the budgets at the time of the merger?

Therese Brown: That is correct. Now I am asking for more in depth data versus how much was just billed of budget but actual usage, what types of things have been done and what time has been spent on one side or the other. That will help, with all of the data, to equalize time spent on which side. That is the goal.

Darren Vogt: Councilman Moss.

Paul Moss: This is more of a broader couple of questions that I would like your opinions on. Obviously we are looking department by department and whether they appealed or not. If they did not appeal, they kind of went under the radar. From a broader perspective there are other ways, I think, for us to be able to seek some potential reductions in our annual operating expense, at least from my perspective. I am interested in your opinion on, for instance, the Employee Health Clinic. According to this information, it is a little under \$300,000 a year. I view that as just an added cost. I know that is probably debatable in terms of whether it has reduced our overall healthcare cost. I don't think either one of us would win that. You might have a different opinion than I do, I don't know. I don't think either of us could win that argument. If you assume that it is a \$300,000 cost, is that a benefit? I do believe it is an employee benefit and I assume that you agree. Do you believe that is something that we need to keep? Has there been some consideration about maybe not having that?

Nelson Peters: It is definitely an employee benefit. There is no question to it. Along with some of the other things that we have looked at and in terms of the overall insurance package, we do believe and this may be where the debate starts, although it is not the panacea it is part of the picture that has allowed us to take what used to be a \$12 million insurance bill and reduce it by about \$3 million per year. Will that hold forever and ever? Probably not. You always get blips, as you well know. One of the considerations, albeit we haven't looked at eliminating it, is getting the City of Fort Wayne involved in the mix as well. We believe that we are running about 60% capacity right now and we believe that if we could increase that to 90% capacity, there would be significant savings in the per visit cost as well as a now-shared cost with the City of Fort Wayne. It could well take that \$300,000 and drop it to \$150,000 and you would realize additional savings based on the model that Fort Wayne Medical Ed put together for us. We have gone to the City of Fort

Wayne within the last three weeks, with some numbers that suggest that their participation could help their experience and help drive down that cost. We already have the fixed cost that we are liable for. So, no, we haven't looked at axing it but we have looked at ways that we could reduce cost.

Paul Moss: The \$3 million is definitely debatable whether it has created that.

Nelson Peters: In and of itself has not. I will grant you that. It is a part of other things that we have done that has helped to lower that cost.

Paul Moss: This only goes back to 2009 so I don't know when it was at the \$12 million level. I take you at your word and so that is a reduction. It is significant and that is great. Taking it even a step further, are you willing to assume, again I am looking at different opportunities here to whittle away at this number that the City might participate? You said something about \$150,000, is that a number that we can apply here or are we willing to look at what we are accruing for claims expense? I don't recall how that number is arrived at, if you look at prior claims experience, if you work with your broker or how that happens.

Nelson Peters: Are you talking about taking dollars out of the Self-Insurance Fund?

Paul Moss: No, I am saying that you have an estimate, what is the estimate?

Tera Klutz: It is in the budget. This is the actual, the actual claims paid.

Paul Moss: I am saying that estimate for 2012, is there an opportunity to drop that?

Nelson Peters: Are you talking about for claims or are you talking about for the Clinic?

Paul Moss: For claims.

Nelson Peters: Absolutely there is. One of the things that we have been a little reluctant to do is tweak the plan much further and lose any potential grandfather status that we have. We have looked at things like the Birthday Rule so that a number of the spouses might end up on their spouses insurance. We have looked at a number of other things and have been counseled at this particular point to not do too much until the dust settles regarding the national healthcare plan. Absolutely I think there are a number of things yet that can be done to bring that number down.

Paul Moss: That is it for me right now.

Darren Vogt: Are there any further questions, Council? With that, we will move on to CUM CAP, CEDIT, Major Bridge and Local Roads and Street. You have folks here that can probably move on and do other things besides sitting with us. I don't know who is here and who is doing what.

Nelson Peters: Let me just give you a brief introduction to the CEDIT and the CUM CAP budgets and then whoever wants to cover what I may have forgotten is more than welcome to come up. Everybody should have a book that looks similar to this. It is a book that has been provided by the Highway Department for each of the last four years now. In it, it quantifies all of the road projects, bridge projects and other infrastructure projects that typically consume the vast majority of our CEDIT dollars. I will talk a little bit more about that in just a second. You should have been presented with a spreadsheet that looks something like this. This is what you have seen for the last three years and comes from the Building Maintenance Department regarding CUM CAP expenditures. You are looking at that because they are the major user of the CUM CAP dollars that we have. Additionally, I don't know if you have in front of you a copy of the Capital Improvement Plan that was created in 2010 for 2011, 2012 and 2013. It is a document that looks something like this. That is the exact same plan that we have utilized over the last two years and will utilize going into 2013 as well. In it, it breaks down CEDIT expenditures in a couple of categories between the economic development administrative cost, the Highway Department projects and the Redevelopment Commission in terms of the outstanding bonding dollars that we have on the table right now. For this year or 2012, for a grand total of \$5,674,521 which those were estimates a couple of years ago. We have found that we have had to scale some of the projects back and I will talk about that in a second. If you look at the economic development administrative cost, does everybody have that sheet?

Tom Harris: The last one that you mentioned, I don't know that I do.

Darren Vogt: We may have it but it could be in a stack.

Tera Klutz: Is it the CEDIT plan? It was presented at the budget allocation meeting but there were lots of questions.

Darren Vogt: So it is in our original stack. Give us one second Commissioner. Some of us may have it and some of us may not.

Nelson Peters: If not, perhaps we can run some copies so that we can talk about the CUM CAP.

Darren Vogt: I don't see it in the original submission.

Tera Klutz: I think they gave it to us at the meeting.

Darren Vogt: Okay, then that would be in a different stack.

Nelson Peters: Do you want someone to run copies? We can talk about the CUM CAP budget in the meantime.

Darren Vogt: You would have had to have kept it, Council. It wasn't in the original packet.

Roy Buskirk: It goes from 39 to 41, in my stack.

Nelson Peters: We have some copies on the way. If you want to, move over to the CUM CAP budget real quick. Let's do that for the sake of time. The CUM CAP budget is about \$2,229,000 budget. I mentioned that the Building Maintenance Department is the major user of that but that is not the whole budget. What you are going to see for 2012 is \$400,000 that will go through our IT Department to Atos to help pay for some of the contract. That is the same number that we have utilized in the past couple of years. There are absolutely no changes there. On down, you will see \$300,000 that has been set aside for typical building repairs, if somebody puts a hole in a wall or a piece of brick gets knocked out, day-to-day type maintenance, in the City-County Building and the 37 or 38 other buildings that we have. The elevator service is going to cost us \$56,633 in the year to come. Then there are building projects which consume the vast majority of CUM CAP funds that we have. If you move to the other spreadsheet that I now know that you have, what you will see is that there are a number of projects. These projects have been set up on a point value basis, exactly like what you saw in 2010 and 2011. We have assigned points from legal liability and safety to work overflow improvements and esthetics. We have assigned points to it and ranked the projects based on what the Building Maintenance Department believes needs to be done first. The number that is halfway through the second page is \$1,556,063 worth of projects that we have on the books for 2012 that we believe we need to tend to quickly. If you look at what we've got for building projects, we have only set aside \$1,141,159. So we clearly have \$400,000 more need than we do dollars. I am not here to ask for additional dollars but just to show that we have a lot of need and not a lot of dollars. Mr. Freck and his team have also put together a plan that moves into 2013 so that we can begin to look at some of the dollars that are going to be necessary then. The other portions of the CUM CAP budget include dollars that we give to house the Work Release Program and I think that was something that we did many, many years ago in an effort to help them with some of the

payments that they couldn't make. They have done a lot better with catching us up with what they owe us, at this particular point. I can't tell you what the specifics of that are but that was a rent payment for Work Release and it was money coming in the back door to help them do what they needed to do to sustain them. As you move down, there is \$252,139 that actually goes to the Highway Department for drainage expense. The cumulative of everything that I have just explained is that \$2,229,931. I would be happy to entertain any questions on CUM CAP before we move on.

Tom Harris: Say that total again.

Nelson Peters: The total CUM CAP is \$2,229,931.

Tera Klutz: We have \$2.5 million.

Nelson Peters: I am either looking at the wrong thing or, there it is, I was one page short. The \$300,000 that was missing between the numbers you had and the numbers that I was telling you is actually the refresh program that we have had every year. That is just to make sure that we have computers replaced every three or four years.

Therese Brown: So it is \$2.5 million.

Nelson Peters: So it is \$2.5 million. Sorry about that.

Darren Vogt: Council, are there any questions on CUM CAP?

Tom Harris: I guess I would ask the list of projects that are on the sheet that you handed out, you have prioritized them from top to bottom. Are the ones at the bottom the ones that you are not funding? Jail, Tony Burrus, City-County, Courthouse, are all on page two at the bottom. I guess my question is that you come up with fifty projects, as an example, did you decide not to do ten of them because of constraints or did you come up with fifty projects and then said you want all fifty?

Nelson Peters: These are projects in the wings right now that haven't been completely vetted at this particular point. Certainly add them to the above number and you will see that you have significantly more.

Tom Harris: I understand. So go up to the bottom line of City-County, above the \$1.5 million, those came at the bottom of the point system.

Nelson Peters: Right.

Tom Harris: Did you come to a conclusion saying that you will let those four go or are there twenty that you decided not to put on this list? Do you see what I am saying?

Nelson Peters: Yes, there are a number that are actually on the 2013 list. In order to get to the heart of what I think your question is what we will do is start at the top of this list and we will go down until we hit that \$1 million figure. After that, the stuff either gets pushed off or doesn't get done.

Tom Harris: But all of these were listed as items that should be done next year.

Nelson Peters: Yes.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: Some of these on the list have percentage of work completed.

Nelson Peters: Yes.

Roy Buskirk: Is that completed and paid for or is it just completed? In other words, the estimated cost, the first one has 25% of the sewer line has been completed and so is the \$8,000 the entire project and we have paid \$2,000?

Nelson Peters: I think I am right in saying that it has been completed but not paid for.

Dan Freck: Dan Freck, Director of Buildings and Grounds. When you see the percentage of work completed, some have been materials purchased or a survey had been completed or was a repair such as that sewer line. They had a plugged line and we went out and repaired it so the building could remain in operation. City Storm or City Sewer is asking that we replace the whole line. What I did was to take the value of what it cost to repair it, do a 100% fix on it and that will be the \$8,000. Right now I have spent about 25% of my time to keep it operational. Does that help?

Roy Buskirk: What I am trying to find out, the \$8,000 is your estimate of what it will cost to complete the job?

Dan Freck: Yes it is.

Roy Buskirk: The third one down is clean-up for GAI study, you have zero amount for the estimated cost and 50% completed.

Dan Freck: What we did there was for the total property. We have done most of the buildings out there and the GAI study will be for like the Byron Hospital. We have already done Kidder, the Power Plant, Highway, Vector Control and Sign Shop. We have already paid for them but that is only 50% of that property. If and when we get ready to sell Kidder, Byron or whatever, it is still a project in the loop. It is still on the main property body but we have only done 50% of the buildings. I don't know what Mr. Clark will charge us to come back and finish that project.

Roy Buskirk: Okay, so there is a good possibility that if you find any contamination...

Dan Freck: Yes, when you see a blank line like that and it only shows 50%, we have paid 50% of the project. Once the Sheriff leaves out of the Kidder Building, we sell it and we have to take a look at it and that line will get filled in.

Roy Buskirk: That line gets filled in and then you can add more projects at the bottom. You are basically going with the fact that the total on the first page, the points are 160 and the last one is 100 points.

Dan Freck: Correct. We rank them as the highest priority on down to something that would be workflow or esthetically something that needed upgraded or a better remodel. The bottom ones that are not in that list are projects that those departments need to come back and sit down with the Commissioners so that we have a better understanding of how that priority will place on the 2012 list and we will rank them at that time. A good example is the Jail's Wonderware Software. That is an estimate of \$91,000 and is not a project that would have gone out for bid to be exactly \$91,000. The Sheriff and the Commander need to come back and talk to the Commissioners so that they have a better understanding of what is going on. They will have to go through the bid process with Purchasing. Those are just an estimate of something that might be coming down the pike.

Roy Buskirk: One more question. Third from the bottom is Keystone painting, \$1,000, 2011, first floor with parenthesis around lawsuit. What is the lawsuit?

Dan Freck: That is the lawsuit with the AFL-CIO from a couple of years ago.

Roy Buskirk: Because we never had the floor painted?

Dan Freck: No, it is because we were going in to remodel all three floors for the Prosecutor and before we went in to do the work, that suit was filed.

There was no work done in that building but there is still preventative maintenance that we have to do. I have a guideline that I am allowed to do just so much work and there is work that I am not allowed to do. When I marked painting first floor, that is strictly preventative maintenance but the first floor was part of the major lawsuit. I can't go in and remove walls and do major construction. That area is 15 years old and so it was due to be repainted. I am allowed to go in and paint but I can do any construction.

Tom Harris: Was it a prevailing wage?

Dan Freck: Yes under the AFL prevailing wage.

Darren Vogt: Council, are there any further questions on this? Okay, thank you very much on that.

Nelson Peters: The CEDIT budget, hopefully everyone has that sheet. As I said at the outset, there are really three components to this. It is the economic development administrative fees that we pay, various Highway Department projects that typically take up the lion's share of that fund and those funds that we set aside to pay bonds and that type of thing. The economic development thing shows \$25,000 going to the Community Research Institute. That is John Stafford's bunch. It is an amount that used to go to the Chamber as a pass-through for whatever reason for the Community Research Institute. In the agreement, this allows for Mr. Stafford to come in and do some consulting work for us and a number of advisory roles that he takes. The Downtown Improvement District is an amount that has been given to the DID since they came to this body in 2007 or 2008. The Economic Development Incentive Pool is \$500,000 that has been set aside each year since 2005 or 2006. It helps seed things like Shovel Ready Sites and some of the things that were recently given to the Redevelopment Commission for purchase of those lands. The Economic Development Alliance is an amount of \$200,000 that we have budgeted. We have paid the Alliance \$200,000 for a fee-for-service contract since their inception in 1999 or 2000. We had given Friends of the River \$25,000 this year and had anticipated doing the same in 2012. That is to help foster some of the cleanup of the rivers. That has taken a little bit of a different direction under leadership of Sherry Becker and Leadership Fort Wayne. She basically said that it was kind of crazy for you to utilize money for bricks and mortar things when we have a bigger issue which involves strategic planning and making sure that the folks that are coalescing around the river initiative should better understand what is being done. Our commitment for them will end at the end of 2012 and we will have to re-evaluate it at that time. The Innovation Center, we have given \$100,000 for a number of years and hoped to continue to do so. The Regional Partnership, we have given \$50,000 a year for the time

that they have been here since 2006. I would be happy to answer any questions there or I can move onto the Highway Department projects.

Darren Vogt: Let's go ahead and take some questions on that section. The Highway is a little bit more. Councilman Harris.

Tom Harris: In general, are we contractually obligated on some of these numbers? Have we committed over a two or three-year period or is this discretionary year to year?

Nelson Peters: Candidly, some of them are long-term contracts and I can't tell you which ones, off the top of my head. There are others that are single-year contracts. For 2012 and forward, we are not obligated. It appears that all of the contracts expire at the end of this year except for Friends of the Rivers.

Tom Harris: You have set objectives for example for Friends of the Rivers. Do you have specific objectives that you are looking for out of those?

Nelson Peters: Friends of the Rivers, we do. The tact that we have taken this year, and that is an excellent question, gets us to that very point. We anticipate having a contract with at least the Alliance and our hopes are with the Partnership and a couple of the others by January first. The turn of what we had originally termed a fee-for-service contract into a performance-based contract. We are actually sitting down with the City of Fort Wayne and the Chamber of Commerce in hopes of agreeing on what those benchmarks ought to be and then have everybody sign on the same dotted line so that moving forward the Alliance and these other organizations understand not only what the County wants but also the groups who fund them want. Councilman Vogt has been involved in a couple of those meetings and we are on track to have those contracts in hand by January first.

Tom Harris: One that comes to mind is the Innovation Center. You have \$100,000 established there. What is it that you are looking for to happen with that \$100,000?

Nelson Peters: That is part of the seed for newer and more creative businesses. Some of these dollars went to help them expand in the last few years. They still have the potential to move a big business in there. This would provide some of the incentive dollars that the business suggests that they need to move into there. I can speak very abstractly on that, again with the idea that we are going to be coming back sooner than later with actual performance benchmarks.

Darren Vogt: Council, are there any other questions? Councilman Howell.

Kevin Howell: So previously there have not been benchmarks before?

Nelson Peters: There have been benchmarks that said bring us more jobs, go out and talk to a bunch of people, call on a bunch of folks and I am being a little catty but there haven't been the benchmarks in place that truly allow us to come back and measure from one year to the next.

Kevin Howell: So they haven't been in writing?

Nelson Peters: Not really, no.

Kevin Howell: How long have you been giving to these organizations?

Nelson Peters: We have been giving to the Alliance since 1999 or 2000, Friends of the River has been since 2010, the Innovation Center since about 2002, the Partnership since 2006, the Downtown Improvement District since 2006 or 2007 and the Community Research Institute by way of the Chamber of Commerce as far back as I can remember.

Kevin Howell: So several million dollars, to say the least, right?

Nelson Peters: Right. I will say this and I have yet had anybody who has been able to quantify this but we believe that a best practices approach to economic development would be entirely appropriate. That would be to look at some of the cities that are our size. Some of the cities that are very successful in what they have done, Chattanooga, Providence, Charlotte and Mecklenburg, and look at their best practices and have them help us arrive at a better budget. How much are they allocating for administration? How much are they putting on their roads? How much do they put in an incentive pool? How much do they put into Shovel Ready sites? We haven't evolved to that point yet but I think ultimately that will help us, in Allen County, build a better economic development model.

Kevin Howell: The reason I am asking is because in the early 1980's, I worked in Moses' economic development department and Harvester left. We had that in place back then. Have you considered working with the City of Fort Wayne to see how they are doing?

Nelson Peters: We are working with the City of Fort Wayne in a lot of ways. We have established a couple of programs with them. Most recently, we are now involving ourselves in investments that occur right in the heart of the City of Fort Wayne. They are now involving themselves in investments that are occurring in the unincorporated areas. We have developed a good

partnership, as far as that goes. As I said, we are looking at establishing benchmarks that will help us formulate these contracts.

Therese Brown: If I can add to that, Councilman Howell, one of the things to this exercise has been very enlightening for both sides is the leverage that we both bring to the table.

Kevin Howell: Right, right.

Therese Brown: It has become more and more involved and a lot more interactive. What we learn out of this contract evolution may be able to be patterned to all of the other organizations with minor tweaking.

Kevin Howell: So is it a general understanding that what is good for Fort Wayne is good for Allen County and what is good for Allen County is good for Fort Wayne and the region? Is that what you are thinking?

Nelson Peters: Not absolutely but very much.

Therese Brown: We are all in this together when it comes to economic development and making sure that we have jobs and making sure that we make the region and Allen County and the City of Fort Wayne attractive.

Kevin Howell: So, if we were to cut money from these departments or these areas, would it be a hindrance? How much of a hindrance?

Nelson Peters: What we are being told, and this is where it would be nice to better understand what's happening in other communities, is that the amount that we spend on economic development administration pales in comparison to Birmingham, Alabama to Providence, Rhode Island to Chattanooga, Tennessee and a few of the others that I mentioned a minute ago. I can't sit here and tell you exactly that this is what administration is as a part of their economic development budgets but every time that we broach the subject that is the same comment that we get back. Councilman Moss sits on the Alliance Board and I know that at one of the most recent meetings, the Alliance said that they would like to take the \$200,000 number to \$300,000. As you can see, we haven't put that into our budget. Is that an appropriate exercise? Probably so but can we do it right now? I don't think so.

Therese Brown: One of the things you need to keep in mind is that particular organization is our extension out to those individuals or companies that are looking to relocate anywhere in the country. If we lose that front door or we de-fund it to a certain level, it may create a problem to where we are not marketing our area as well as we could be.

Kevin Howell: Are we fully funding this economic development Alliance?

Nelson Peters: That is an excellent question and I think people would argue that no, we are not.

Kevin Howell: What percentage?

Therese Brown: Of their overall budget?

Kevin Howell: Yeah.

Therese Brown: I couldn't tell you.

Nelson Peters: Their budget is about \$1.6 million. They want to take their budget to \$1.9 million by virtue of an additional \$100,000 by the County, \$100,000 by the City and \$100,000 by the Chamber. As you can see, this \$200,000 is a small percentage of their budget.

Roy Buskirk: I think they are funded more from private foundations than what they are by any government unit.

Nelson Peters: They are now but it didn't start out that way. That has slowly been the model and in fact, one of the benchmarks that we will probably be pushing is that you need to be funded, on an annual basis, more and more by the private sector than you are by government.

Darren Vogt: Councilman Moss.

Paul Moss: I am not sure about the Alliance being more, are you thinking about the Regional Partnership has more private money?

Roy Buskirk: The Alliance has the Goldstein Foundation as a big supporter of it.

Nelson Peters: The private sector supporters of it right now are the lion's share. We are looking at \$200,000 from us, \$200,000 from the City and \$200,000 from the Chamber. That is \$600,000 out of \$1.6 million. They are getting stuff from New Haven. They do have contracts with Dekalb County and maybe Lagrange County. They do get money that way but the private sector has stepped to the plate in a more significant way than they did back in the early 2000's.

Paul Moss: Well, you know, it's like a black hole. You can spend an infinite amount of money and it still wouldn't be enough on economic development.

Nelson Peters: Right. I agree.

Paul Moss: That is just my opinion. We do spend a lot of money. There is a lot of money that we are looking at right here. The Alliance wants \$1.9 million. Unfortunately we don't have any impact over this in terms of shifting dollars around. I assume that this is just an exercise in understanding of what you all have decided to do. I don't argue a whole lot about where these dollars are going. It would be nice if we had some input and could shift dollars around a little bit.

Darren Vogt: Councilman Moss, this is the time that if we wanted to shift, we would shift.

Paul Moss: Oh, really? How do we do that?

Darren Vogt: We would put it into a line item or we would take away from a line item. Probably the easiest way to do it is we would have to un-appropriate.

Tera Klutz: It is not appropriated yet. Look at your budget book and flip to the CEDIT line. If you decided that you wanted less money, I think you did this to the CEDIT budget three years ago.

Darren Vogt: We did, yeah.

Tera Klutz: You can't exceed the amount that they have already budgeted. If you would like to change things around, you would need to subtract it from one line...

Darren Vogt: Or un-appropriate it.

Tera Klutz: It is not appropriated yet.

Paul Moss: As fun as that might be, I would be a little hesitant to do that at this point. I think it would be sending an unfortunate and wrong message to the folks that you have already made commitments to. I assume that you all would agree with that.

Therese Brown: If you have suggestions where you might want to increase a line and under-funding a different one...

Paul Moss: Everybody sitting here may have a different opinion. I am just going to use this as an example, the Innovation Center. A lot of money has

been going there. Are we just supporting their operations essentially, at this point?

Nelson Peters: If incentives include operations, then yes. We have seeded some of the businesses that have incubated out there.

Paul Moss: I don't want this to sound like I am throwing stones at the Innovation Center and the work that they do. It seems pretty typical once you start throwing some money out there, it never seems to end. Reasonable persons could question the value that is being provided by some of these entities and the direct impact of them. That is a really broad and difficult discussion. I am not going to sit here and try to move things around. I am interested in the economic development incentive pool and understanding a little better how that traditionally has been spent and how you expect it to be spent in 2012.

Nelson Peters: Traditionally, it had been banked. We started with that fund in 2006 and had put away about \$500,000 a year in it. We peeled off \$100,000 last year to deal with some of the projects that I know you all aren't too fond of using these types of funds for. We can get to that in a second too. We had, I can't remember, \$1.5 million to \$2 million and I think a lot of that money actually went to the Redevelopment Commission for the purchase of these Shovel Ready Sites. You guys had kicked in some money from a certain fund and we spent the lion's share that was in that fund. How would we intend to use it? You have heard us say, in the past, that we need probably \$2.5 million at any point in time for some of the businesses who may be coming to town to incentivize them and so forth. In a perfect world, that is how those dollars would be utilized.

Darren Vogt: Councilman Howell.

Kevin Howell: I don't want to sound like the dog biting the ankles down here but back in the early 1980's, when I was with the Moses' administration, we made some great decisions and brought GM here. We also made some dog decisions and we spent a whole lot of public money. I suspect, following along with Councilman Moss, that we may be making the same mistake again in the 21st century. Is it possible, forgetting this fiscal year coming up, that you could get information from these economic development commissions and institutes that state what they accomplish?

Nelson Peters: Absolutely. There are members from this body and members from the Commissioners that sit on every one of those Boards.

Kevin Howell: I want something in writing. I would like to have my own personal copy and for all Councilmen to have that.

Nelson Peters: I would be happy to do that. Not to tell you how to do your business but I think it would make sense, if there are issues and concerns, to call them in. Find out a little bit more, at the end of one of your meetings, about what they are doing.

Paul Moss: I will answer that to a certain extent. I just started serving on the Alliance Board this year and I went into it with a fairly jaundiced view and continue to have a fairly jaundiced view. Any of these entities can give you a very nice and colorful well-done brochure that shows all of the things that they have accomplished. It is very, very difficult to discern how much of that, in a concrete manner, what their impact on projects has been. That is about the best way I could put it.

Darren Vogt: That is a very good way to put it.

Therese Brown: One thing, Councilman Howell, to add to that is just like going through this whole exercise of contract review and reconstructing those contracts and being more of the driver versus the entity driving us and receiving dollars with no strings attached, if you will. With that philosophy rolling out, hopefully more data will come back that will have a little more concrete view to show success and/or failures.

Paul Moss: We are diverting a little bit from the budget but I think one of the problems right now is that we have all of these different entities out there trying to be involved and impact economic development activities but at the end of the day, this body and the Commissioners and the Mayor and the City Council still have the primary control over what drives businesses in terms of abatements and all of that sort of stuff. Until we are willing and able to essentially cede that power over to somebody, we are always going to be doing the same dance. I don't know if you can influence how they spend these dollars or not but I think we should have more of a centralized voice. I have said in the past that I, as a lone member, am willing to look at options in terms of ceding over some of our power, so to speak, if it is going to improve the process.

Nelson Peters: Council, let me tell you how I think we can improve that process. If you have a whole bunch of contracts with all of these folks that kind of read the same way and you have established benchmarks that look similar from these guys to these guys, then the point that you were trying to make earlier, we have had some of these agencies come in and report to us and by and large, they are talking about the exact same jobs. How you do

that is establish benchmarks that are constant across the board and then you raise everybody as they contribute to the overall economic development effort in Allen County. If they are funded properly, I am not averse to lowering the amount that goes to them, if indeed, they aren't performing up to the level that has been contracted.

Darren Vogt: Councilman Howell, are there any more questions?

Kevin Howell: Yes, I like that and I think that is the way we would want to go in the future. Obviously we don't run these commissions and all of that and we don't want to. We have enough to do with what we are doing right here. Obviously we have an influence on it and a positive influence. There is nothing wrong with setting benchmarks. It's public money.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: Basically, what Councilman Moss was saying is the fact that they can come out with very nice brochures and everything else and then the retained jobs, new jobs and everything else and the line is long when it comes up to taking credit for it. I think that sometimes it gets a little confusing especially for a new company that is coming to town as to who they should work with and who does this specialty thing and I think that sometimes it would be a lot better if several of these organizations were combined. You would be able to save economic development money because you would save on staff and still get the work done. I think it is important that we have a benchmark on these contracts. Somebody is going to have to be very knowledgeable of how much effort this group put into those jobs.

Darren Vogt: I wanted to add one piece to that. We are working, along with those benchmarks is a process flow that will really help to delineate some of that to your point of where are companies supposed to go. We have been working with the Department of Planning and Mark Royse's staff has been looking at how we deliver and who is responsible for what. We are in the final stages of that. That is going to have buy-in from the Alliance, the Chamber, the City and the County as to who is supposed to do what. That is the biggest, I will not say stumbling block, where miscommunication occurs and in reality, the Alliance should be taking the credit. The benchmarks are on one place and the process flow is in another. Councilman Harris.

Tom Harris: We obviously have a few things going in the right direction with the unemployment rate now at two percent lower than the national average and one percent lower than the State average and we are one of the top Counties in the State. That didn't happen by luck. A number of these things are coming together. I guess I challenge you, Commissioners, on what you

had mentioned earlier just like systems being established to figure out who says what, who communicates what and that we keep raising the bar on specific objectives just like we are doing in customer service. The initiative on each one of these is what are we getting out of these? There is always going to be that subjectivity of did we really get what we thought we were going to get. You have to establish some kind of a benchmark and keep pushing. You are never going to be there. We just keep trying to get better and we can do that together.

Nelson Peters: I agree.

Darren Vogt: Council, are there any further questions? I have one that we have not touched on yet. This Council had talked about this, and if I recall from our conversation, the endowment plan and are we still, as a Council, not in favor of. Those dollars are in the economic development incentive pool, is that correct? The issue was made that it is a very small percentage of the grand total however I would argue that \$100,000 is ten percent of the dollars that are set aside and aren't Highway or through the Redevelopment Commission. Council, we need to send a clear message to the Commissioners about that plan and how that plan works. This would be the time to do it if we are going to do it.

Nelson Peters: Can I just say a couple of things real quick? We've heard the message. There is no question that we have heard the message. It seems like no good deed ever goes unpunished and I don't mean from you guys. As we sit here and make awards over here, we end up making other people mad who filed for the grants and weren't recipients of it. The reason that this program was initially set up was because we had everybody and their brother coming to us saying we need some money for this or for that. It is economic development, quality of life and so on and so forth. They would come to the Council and make the same request.

Tom Harris: If I can jump in, that will continue, right?

Nelson Peters: Yes.

Tom Harris: As grants tighten, they will just keep coming.

Nelson Peters: Absolutely and they have. The purpose of doing what we did was to better quantify those requests. Again, to put them on a matrix and drive some point value into how closely they were related to economic development and how closely they weren't. In 2004 and 2011, we made an award out of the \$100,000 of \$59,000. Those went to four or five agencies that include Junior Achievement and a few others. We have talked about this very

program ourselves based on some of your concerns and some of what we see is the reality of our budget. What we have committed to do is, effective at the end of 2012, suspend the program indefinitely. It could be re-examined at a later date. Any awards for 2012 would be out of the remaining funds that were set aside for 2011. The reason for that is that people have already come to the table and put the time into writing the grant proposals. There are some that we still believe, as we did in the past, warrant dollars based on economic development. The fact of the matter is that the program has been a little bit more burdensome, more cumbersome and it has been hard to do some of the things that we had hoped. If you guys would agree that awarding the rest of the 2011 dollars for 2012 recipients and then having us suspend the program, then we will be done with it indefinitely.

Darren Vogt: That sounds like a good idea.

Tom Harris: Where is that on here?

Nelson Peters: It comes right out of the incentive funds.

Darren Vogt: Councilman Howell.

Kevin Howell: When you start it back up again...

Bob Armstrong: We just suspended it.

Therese Brown: Is this a pitch for money?

Kevin Howell: How did you guess? As an idea, when I was at the City of Fort Wayne, each Council person got X amount of dollars to spend in their district and it was very beneficial to the people on the southeast side of Fort Wayne. I would like for us to consider, as a Council, possibly doing that County-wide, if we get this type of program again. It doesn't have to be great big dollars, per se.

Nelson Peters: Let me turn the tables on you and say that we will take that under consideration.

Kevin Howell: Thank you.

Darren Vogt: Councilman Howell, I am not sure you would have full support of Council on that one. Pet projects are not something that I would be in favor of.

Nelson Peters: I don't know if you want to move onto Highway projects but that is the next part that we show on our CEDIT fund. Again, if you would look at this book, the same drill that occurred in 2009, 2010 and 2011 is what you will be looking at in 2012. If you have that book, the most appropriate tab is the tab that says Matrix. What it does is list a number of the criteria that are taken into consideration in ranking all of our projects, whether they are bridge projects or road projects. As you move to the next page, you will see that specific points have been established for various criteria including traffic counts, proximity to a major employer, road conditions and all of that good stuff. As you move to the next page, you will see a couple of pages of projects that are on the books for 2012. I am here to tell you that at this point, \$4 million of those CEDIT dollars are poised to leverage about \$20 million of Federal money for three specific projects. Those projects appear at the top of the priority sheet. I am not really sure what I can tell you at this point. The projects have been evaluated and we look to be spending somewhat less than we have in previous years because I don't think there is going to be as much coming in. The dollars that will be used, at this particular point, are slated to leverage Federal dollars.

Darren Vogt: One administrative piece. If you could do me a huge favor on this, you have some of the high points at the top and some of the high points at the bottom. If somebody could just clean that spreadsheet up, as someone who looks at spreadsheets, it can get confusing.

Nelson Peters: The actual spreadsheet?

Darren Vogt: No the actual priority of criteria where you define them under one, two, three.

Roy Buskirk: Page 43.

Darren Vogt: Some of the highest points are at the top and some of the high points are at the bottom.

Nelson Peters: I got you. Just put them in order. No problem.

Darren Vogt: Council, are there any questions on the Highway portion? Councilman Moss, go ahead.

Paul Moss: This one that you talked about needing glasses for. I am just curious. I don't understand the Total Crashes, Injury and Fatal is. It sounds like we have a lot of fatalities, like at Dupont and Union Chapel, with 84 injuries and 21 fatalities. Total Crashes slash Injuries or Fatal maybe.

Nelson Peters: That is not an annual but a forever number.

Paul Moss: Since we were talking about the CEDIT money and diverted from actual specific budget questions, this is more of a philosophical question that is related to the Highway Department. It has always irked me to a certain extent while driving around Allen County, how much of the budget is spent on studying and improving traffic patterns? It just seems to me that traffic patterns could be improved dramatically. Just intuitively from driving around and seeing, I will use Coldwater as an example, red light after red light when there is nobody on the other side. Just hear me out for a minute. That has an economic development impact. Moving people around and getting people to work and all of that has an impact. Granted, I am a little biased in my view because I am on the north side of town and that is what I see and then I work out southwest and that is what I see out there as well. Are there any thoughts on that, Bill?

Bill Hartman: We have a department that addresses that. Dan Avery and his staff analyze this consistently and continuously as far as traffic pattern and flow and those kinds of things. That helps develop our transportation plan, the 2030 Plan that qualifies where we can get Federal aid to make these improvements. They are constantly taking traffic counts and analysis. Monthly, they have a traffic technical committee that meets and goes over their analysis. This is done internally on a constant basis.

Paul Moss: Okay, I accept that. Are you on that NIRCC thing still?

Roy Buskirk: I have been for the past several years but this year, Bob is.

Paul Moss: Here is what I can see or envision. I am not on there and you can certainly prove me wrong but I could very well see a bunch of numbers getting kicked out about traffic patterns with the little thing that they run across the road. Here are a number of cars but not thinking outside of the box and having someone visualize like I just said, making traffic flow better.

Bill Hartman: Trust me, they take that into consideration. They make presentations at the UTAB Board meetings to this, quarterly.

Darren Vogt: It has to do with emissions and air quality and all the other things.

Paul Moss: Well then I readily acknowledge that I am the only person that feels that way. It seems like it is harder to get around town than it is in other communities.

Darren Vogt: Part of that is to look at Lima Road, Coldwater Road and Dupont Road. That north side has grown so much and the north-south arteries that we have are being improved and until we get those done, you are going to continue to see too many cars and not enough roads.

Roy Buskirk: I might also make another suggestion. Going south out of downtown on Lafayette and all the way to Paulding, if you travel the speed limit, you make every light. Enough said.

Darren Vogt: All right, we have digressed a little bit. Are there any further questions on the Highway portion of that? Are you going to hit Redevelopment?

Nelson Peters: Yes. Redevelopment is really the next third of where CEDIT dollars go to. A lot of these are just to fulfill obligations from the past. B.F. Goodrich, the Ledge Lease Agreement, has us paying them \$250,000 a year up through 2015 or 2016, I can't remember. It works much like the Redevelopment General Fund, no, it is the General Motors Ledge Lease Agreement. We had given General Motors \$333,000 that is set to end in 2012. In 2013, we ought to realize that \$333,000 more in CEDIT revenue because that is up. The Redevelopment General Fund, the \$35,000 as you may remember they made a pitch to you and to us and said why don't we park \$35,000 away for administrative purposes? They are all part-time people doing full-time things in terms of procuring Shovel Ready Sites and stuff like that. In order to help procure some of those Shovel Ready Sites, they also had to sock away \$100,000 a year in a Redevelopment Capital Fund. I think that is what they are using to seed some of the stuff that they need to do on a more immediate basis. GM TIF Bonds and Nestle and Harber Ditch Bonds kind of fall along the same lines as the Ledge Lease Agreements in that we have made commitments to these things in years past. That is basically the Redevelopment Commission CEDIT offering.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: But aren't some of them in TIF?

Therese Brown: The GM and Nestle, we are required by the State Board of Accounts to secure those dollars in case there is a default. Those are there by appropriation, not necessarily that they would be expended but we have to show them on the books.

Nelson Peters: We have never actually expended those dollars. Those are potentially dollars that could be freed up whenever the obligation has been made. We have just always left them there.

Darren Vogt: When are those obligations paid?

Tera Klutz: I know they just redid some GM Bonds in 2005.

Darren Vogt: I mean what time of the year? The reason that I am looking at that is are they paid in the beginning or middle, are they quarterly?

Tera Klutz: I don't know. Normally bonds are paid twice a year.

Darren Vogt: The reason I asked is that it will free up money and I am thinking incentive money. We had conversations about incentive money not being as prevalent as we would like it to be and I just wanted to figure out when those free up during the year.

Therese Brown: I would suspect, as the Auditor stated, June 30th and December 31st, fifty percent and fifty percent.

Nelson Peters: Of course they would have to be re-appropriated or re-budgeted in the following year.

Darren Vogt: But, if we need it, it is there. Council, are there any questions on the Redevelopment? Council, are there any further questions for the Commissioners on any of those and then we will go to Local Roads and Streets and Major Bridge. They are in the Highway packet.

Bill Hartman: In our budget book, on page 32, is LR and S.

Darren Vogt: If you could just give us a basic overview of Local Roads and Streets.

Bill Hartman: This is gas tax money. Every time you buy gasoline, it is money that is collected and goes to the State. It is based on road miles and population and vehicles and then we get our share back.

Darren Vogt: It is not like the Federal program where we are a donor State. We get what we get and it is all divided out.

Bill Hartman: We hope. Hopefully the formula that the State developed is correct. There is no way to be sure exactly that every dollar that is sent down comes back.

Darren Vogt: The same error could happen for any of them.

Tera Klutz: Usually when the census comes around, we pick up a little bit. I am hoping that will happen for next year.

Bill Hartman: We have a road mileage certification that we turn in towards the end of every year to keep up with all of the streets that we pick up through new development to make sure that we stay as current as we can and to collect our fair share as much as possible.

Roy Buskirk: On there, we don't get all of the gasoline taxes that are paid in this County back.

Bill Hartman: Oh, yeah but the County's share. And there are Federal taxes as well.

Roy Buskirk: I was just going to make the point that the State gasoline tax goes to fund the State Police.

Bill Hartman: And for State highways and they leverage that for Federal aid. On this page, you see aggregate \$720,000 and bituminous \$250,000 and drain supplies of \$50,000. Aggregate, we have over 200 miles of gravel roads and a good share of that is for maintenance. There is some sand that comes out of that for snow and ice control. Bituminous, that will be used for anything from patching materials to places where we will have to do odds and ends of bituminous repairs. Drain supplies are tile, pipe and those kinds of items. On page 33, we have guardrail repair and maintenance. There again, I think that is self-explanatory. Guardrails get hit all over the County and at times we find places where we could add some guardrail here and there. Out in the east end of the County, we have miles and miles of road where the manmade ditches that were incorporated to drain the Great Black Swamp to make it agriculturally compatible. They could use miles and miles of guardrail if you did the analysis on it. So far it has been a low enough traffic volume that it hasn't been that big of an issue. Tree removal, with the Emerald Ash Borers, that has been an item of great need. Geotechnical Studies, those generally precede some of our road and bridge projects. Contractual is just a miscellaneous item to pick up odds and ends. HMA Resurface, we have \$60,000 that will primarily be used for a 40/60 program within subdivisions. We have hot asphalt in subdivisions where they come up with 40% and we pay 60% as a match to make improvements there. There again, Roads Contract Concrete, we have a lot of concrete streets that need repaired. Huguenard, Bethel and Till is a Federal aid project that we started. Roy talked about CMAQ money and air quality improvement projects. We are putting a roundabout at that intersection in order to improve flow. That is just immediately south of Carroll High School which takes quite a lot of traffic. When you look at that whole corridor, you will have uninterrupted

flow from Carroll Road clear down to the airport. That connects into Ardmore Avenue. You have quite a north-south corridor there. It is to help improve traffic flow through there. We are a little late with the Lima Road improvements if that would have been put in about three years ago. We get there when we can get there.

Darren Vogt: Where is the roundabout actually going?

Bill Hartman: Huguenard will actually be curved over to Bethel and Till and is about 500 to 600 feet south of where Huguenard T's into Till. That is it for that item.

Darren Vogt: Okay, do you want to move to Major Bridge?

Bill Hartman: Sure. Major Bridge, we show \$100,000 for contractual. There is \$100,000 for logjam removal. Primarily the Saint Mary's Basin going out to the Maumee, the bridges on those two rivers catch a lot of logs. We will use that up very consistently. We show capital outlays, Winchester Road Bridge over Nickelson Creek, Maysville Road Bridge over the Bullerman Ditch and State Street Bridge over Bullerman. These are carryovers from the 2007 Bond issue that weren't complete. When that came through, we had 29 bridges and we were able to complete 20 or 21. Part of the issue there was, in previous bond issues that we had, the bond had a lot more money in it than what the bids on the bridges were. The first bond that we had, we had three bridges in and a lot of the money went for restoration of the Courthouse, would you believe. The second bond that we had, we were able to add about five or six bridges to it to use all of that money up. When we did this third one, I packed it purposely with as many bridges as I could get in it. I was hoping that if the bids came in cheaper, I wouldn't have to scramble to find projects. As it turned out, just about the time that we enacted that bond, the Trails Plan was approved and a lot of these bridges had trails' needs. We redesigned quite a few of them to accommodate those needs. That made things go in the other direction. We still have a few bridges here that we are picking up.

Darren Vogt: Are those bridges within the City?

Bill Hartman: Yes, these are already primarily designed. Previously, Major Bridge was set up that only bridges with 200 feet span and over could be funded by this fund. When that was enacted, we had 29 such bridges. Last year, the State changed that and made it so that Major Bridge could be used for any bridge of 20 feet and over. That is going to help us in the long run because with the Wheel Tax/Surtax funding that we have set up for bridges right now, that is only an eight-year program. We are two to three years into

it now. At the end of eight years, the City gets to keep their portion of that and the other municipalities get to keep their portion as well and that cuts our bridge funding way down.

Darren Vogt: Does that sunset completely?

Bill Hartman: Yes, all of the inter-local agreements are written to that affect.

Darren Vogt: No, the tax.

Tera Klutz: Everything sunsets in 2017 with the idea that the Major Bridge...

Bill Hartman: Will take over all bridge repair and construction.

Darren Vogt: Maplecrest will be paid for at that particular time.

Bill Hartman: Well, here is the rub on that. We pledged the Major Bridge Fund to retire the bond, of course. I believe we have made a couple of payments. We are in hopes that there will be a retail development in that area that we can attach a TIF Fund to. The economic study that was done before we approved the bond told us that it would take four years for that development to take over the payments on the bond. Right now, if you look at our funds for Maplecrest, the line items are pretty high right now. I am holding that there until we get the construction done and to keep back at least a couple of years of bond payments just to be conservative and to make sure that we have the money to make the bond payments. We are up against the wall a little bit.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: Here you have Log Jam Removal of \$100,000 and we previously had another \$50,000?

Bill Hartman: I am not sure what last year's budget was.

Roy Buskirk: I mean in another line item this year.

Bill Hartman: For logjam removal?

Roy Buskirk: I think it was under Tree Removal.

Bill Hartman: Trees is cutting trees out of the Right-of-Way on the 1,200 miles of roads that we have.

Roy Buskirk: Then I had a question about something that was under Local Streets where you had the Adams Center project. That is tying into Maplecrest and going on farther south. That is supposed to be an economic development area. Is the bridge over the railroad tracks there figured in as part of this project?

Bill Hartman: That would either be New Haven or the City of Fort Wayne. Just immediately south of 930, the first mile or two is in New Haven and the next mile or two is in the City of Fort Wayne. Only about the last three miles is in the County.

Roy Buskirk: That would be a real shame to improve that road and not put a bridge over those railroad tracks.

Bill Hartman: Yeah but that is in New Haven. That would be up to them.

Roy Buskirk: The other thing that you mentioned about those bridges, if they were in the City, all bridges even if they are in the City are the County's responsibility.

Darren Vogt: Right but these were from 2007 and prior to that.

Bill Hartman: Right. They were from a previous bond issue.

Darren Vogt: I didn't see Maplecrest in here.

Bill Hartman: It's in there. We are not adding anything to the budget for Maplecrest. It's fully funded.

Tera Klutz: Are you in the Major Bridge Fund?

Darren Vogt: Yeah.

Tera Klutz: The appropriation was made a couple of years ago and just carried forward. You won't see a new amount budgeted.

Darren Vogt: Okay. The bond payments are already in that? Where are the bond payments coming from?

Bill Hartman: There is a separate page for the bond and that is carrying some cash as Councilman Buskirk encouraged us to make arrangements with the State to make payments on fiscal year rather than sending the money for the whole project. We are due to send another payment before long. There is

some cash in there as well that will be going to Indianapolis to help pay for the progress of the project.

Tera Klutz: You have a look of concern.

Darren Vogt: Yeah.

Tera Klutz: Maplecrest is being paid out of a couple of different funds. The County approved a bond for a portion of it. The bonds were set and that money was set in a separate fund called the Maplecrest Bond Fund. That is the money that he is referring to. It doesn't all have to be paid to the State at one time. We can hang on to it and pay it as needed. Another source of revenue is the Major Bridge Fund. It is a property tax fund. In that fund, the appropriations were made a couple of years ago.

Darren Vogt: For the payment of the bridge but not the payment of the bond?

Tera Klutz: No, the repayment of the bond...

Darren Vogt: Is coming from Major Bridge backed up by TIF, hopefully a TIF, which in reality doesn't look good, which means Major Bridge is the one that has to pay it. Then it goes to CEDIT, right?

Tera Klutz: It is Major Bridge, Wheel Tax/Surtax and Excise.

Darren Vogt: I thought CEDIT was picking it up as backup.

Bill Hartman: I don't know that we had a backup. I think we pledged Major Bridge and that was it.

Roy Buskirk: I won't take all of the credit. Commissioner Bloom helped on that too. Normally, on these road projects, you have to send your share to the State, all upfront. Arrangements were made since this was so large, that we only send a portion of it. My little brain was saying that we could draw some interest from it because we don't get any interest credit or anything.

Bill Hartman: Exactly.

Darren Vogt: In today's environment, economic development-wise, we have yet to see anything out in that direction. Obviously there are issues with development and where it goes and why it goes where it goes but I want to make sure that we've got the funds set aside in Major Bridge so that when those come, that is where we are making those payments.

Bill Hartman: That is why I said that if you look at our spreadsheet, there is a lot of cash in Maplecrest for a good reason. On the southeast corner of Adams Center and 930, there was a proposed Walmart development. Nothing has started there yet but I understand that they own the property. One of our engineers watched the construction of the Walmart on Lima Road and he said it only takes six months from groundbreaking to opening the doors. The project is due to be done by next fall and it would be interesting if they break ground in the spring and have a store open in the fall.

Darren Vogt: That wouldn't be our TIF District.

Roy Buskirk: It is part of the TIF District for this project.

Paul Moss: I seem to recall them talking about that way back when.

Darren Vogt: I thought it was the City of Fort Wayne's TIF District.

Bill Hartman: That is in the City of New Haven.

Roy Buskirk: The City of New Haven and Fort Wayne have money pledged to the Maplecrest project.

Bill Hartman: Yes, they do.

Darren Vogt: Commissioner Bloom, if you have something to say, come on up.

Bill Hartman: That is about as well as I can explain it.

Darren Vogt: I want us to realize that we are going to have bridges that are going to need to be repaired and if it doesn't come to fruition...

Bill Hartman: We will be revisiting bridge financing again.

Roy Buskirk: The last time that I had any communication with Walmart, because of other road projects, I asked them about that. The one thing, when we started that project, was the drainage problem. Some of the Maplecrest development will improve the drainage in that vicinity. Also, because of the economic downturn, it is not on the front burner for them. I think they still have it in their mind to do it but it is not on the front burner.

Darren Vogt: Council, are there any questions on Major Bridge, Local Roads and Streets or MVH for Mr. Hartman?

Bill Hartman: Thank you very much.

Darren Vogt: Thank you. Council, we have come to the point in time where we need to take five minutes. Let's be back at 3:15 to walk through the appeals that we have heard in the last two days and make those financial decisions. We are at recess for five minutes.

Recess.

Darren Vogt: Welcome back to the 2012 budget appeals process. We are now at the point where we need to walk through the appeals for each one of the appealed budgets. We will take them in the order that they are listed on our sheet. That will start with the Election Board and working down to the Sheriff's Department. With that, we will look at the Election Board's appeal in the amount of \$90,955. We had asked them to cut \$144,599. We had quite a lengthy discussion on that. Councilman Moss.

Paul Moss: I would remind everybody, and I mentioned this yesterday, just by going through the exercise that we have gone through, we have accomplished a lot. We have saved the taxpayers close to \$4 million right off the top. I think that is a good thing. I go into this not necessarily assuming that we will be able to make huge additional reductions because there were some compelling arguments and some not so compelling. Specific to the Election Board, I think they had a very compelling argument. Do I need to do it in the form of a motion?

Darren Vogt: Yes.

Paul Moss: Do you want to have more discussion?

Darren Vogt: We can have more discussion. Councilman Buskirk.

Roy Buskirk: I would like to know what the 2008 number would be because what she is showing here as what she cut, this is more of a cut than what she wants to do. I don't think it would be fair to say that we approve her \$90,955.

Tom Harris: Because you are saying that she wanted to cut less than that or cut more than that?

Roy Buskirk: She wanted to cut less. I am saying that if she does this cut, she will not be able to conduct the election that we are accustomed to. She would have to eliminate poll workers and everything else.

Tera Klutz: I can tell you. They spent \$1 million but \$160,000, I believe, was for computer equipment.

Darren Vogt: \$843,214 was the 2008 Presidential.

Jackie Scheuman: That was their actual expense.

Darren Vogt: And \$160,000 of that...

Jackie Scheuman: The \$165,000 was on top of the \$843,214.

Darren Vogt: On top, okay.

Roy Buskirk: What is that number?

Jackie Scheuman: \$843,214.

Paul Moss: The original request was \$970,717. If you subtract out the vote center, satellite voting piece, it is \$40,000 out of that. What I was going to propose is I don't think the \$90,000 is the problem.

Tera Klutz: You can propose an allocation for her if you wanted to.

Paul Moss: The math is a lot easier for me if we take \$40,000 from \$970,717.

Tera Klutz: Go ahead.

Paul Moss: I was going to propose the \$930,717.

Darren Vogt: That is an increase from 2008 of about \$100,000.

Tera Klutz: As long as they all don't go up like this, we'll be okay.

Paul Moss: That puts us between the amount that we asked her to cut and the amount of her appeal, correct?

Tera Klutz: No, we gave her more.

Roy Buskirk: It is about a \$97,000 increase over 2008.

Darren Vogt: Right and the concept was that we are trying to get the vote centers and satellite voting and all of that stuff out and moving forward. It puts us on track for 2014.

Roy Buskirk: The one thing we want to keep in mind for next year is that we can't cut her budget down below the non-election year. She still needs two

staff to get the vote center up in 2014. Normally, in the off-year election, we cut her funding down considerably.

Tera Klutz: Yes, she has stuck to the full-time staff but she said it would be fine for planning for 2013.

Darren Vogt: Right. We can address that at next year's budget. Things may change between now and then.

Roy Buskirk: Go ahead and make your motion, Paul. I will second it.

Paul Moss: I am moving for an allocation amount of \$930,717.

Roy Buskirk: I'll second that.

Darren Vogt: We have a motion and a second. Is there any further discussion? All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1(Brown absent). Jackie are you going to keep a total so we know what that Rainy Day dollar amount will be?

Jackie Scheuman: Yes.

Darren Vogt: These need to be handled individually and not as a total. We have agreed that we are taking money out of the Rainy Day Fund.
Councilman Moss.

Paul Moss: Two things I want to ask before we go much farther because it impacts that bottom line number that we are trying to get at in terms of using Rainy Day Funds or not using Rainy Day Funds. As I mentioned when the Commissioners were up here, the insurance allocation for our self-funded Group Health Insurance claims is a number that I think we have...

Jackie Scheuman: We reduced that from last year.

Darren Vogt: Yes, we did.

Tera Klutz: It is \$6.8 million is the submitted 2012 budget. That represents a decrease of about \$1.4 million in the General Fund. That self-insurance fund is funded through other funds besides just the General Fund.

Paul Moss: So the total though with the expected claims and the other funds...

Tera Klutz: We run about a \$5 million cash reserve in our self-insurance fund. That is how we started the year out. This year, the total funds budget was \$8.2 million and we have held that flat for next year. We are not sure how 2011 claims are going to be. Nelson has said that with the new healthcare legislation, we are not sure how that is going to impact us. We automatically have to start covering children until the age of 26. We left our funding for that, the majority is in the General Fund but it is also in the Highway Fund and the Health Fund.

Paul Moss: My point is, I am not throwing out a number right now but I want everyone to keep it in mind, that there is some risk there and we may have to fund it on down the road. I think that gives us a little bit of an opportunity. The other piece of this that I meant to bring up while the Commissioners were here and did not and has been mentioned out there before, I had asked the Auditor to provide information on the cost of benefits for part-time folks like us. That has been discussed, probably not in the best manner, back and forth in the media. Do you recall what that cost was?

Darren Vogt: I want to say \$1.4 million.

Paul Moss: I thought it was \$1.2 million.

Darren Vogt: Somewhere in that area.

Paul Moss: My point is that I just don't think we should go through all of this without at least having that discussion. I am sure that we all have differing opinions on it. I would be interested in, if the Auditor doesn't mind being put on the spot, knowing who would be affected by that.

Tera Klutz: Okay. I know there are different groups. Right now, if an employee works more than 30 hours a week, we will offer them insurance. They still don't get paid for holidays and are not eligible for PERF. We call them part-time, full-time. They still work the full-time hours but they don't get the benefits of being a full-time employee. Some Elected Officials are considered part-time. That is obviously relative, Council. Some could say that your salaries are part-time. Who knows how many hours you put in.

Darren Vogt: It would be all Elected Officials and not just Council. That was the issue that we had as a conversation. There is no set statute on who has to work what hours. I don't think you can count Council in that and Elected Officials because they don't punch a time clock. With the new time management thing, I don't see the Auditor punching a time clock. I think that was part of the reason. You cannot have Elected Officials either in or out

because there is no set statute of required time. They have to show up one day a year or whatever that is.

Paul Moss: Payroll, using us as an example, we are considered part-time, correct?

Tera Klutz: No, you are not. From payroll in our system, you are an Elected Official. No hours are reported. I know that the Commissioners set the policies for County Attorneys and whether they get benefits.

Roy Buskirk: The Prosecuting Attorneys and Public Defenders?

Tera Klutz: I have had conversations with the Prosecutor and the Prosecuting Attorneys are primarily full-time. With Public Defenders, the area gets a little grayer because a lot of them have other private practices. I have heard that the benefits are very generous to be a Public Defender so that they are able to hire good attorneys to defend the public.

Paul Moss: That is a reasonable argument. There are also part-time attorneys serving various departments who have full-time practices and probably don't do a whole lot of work but I believe they would then be eligible for the group health insurance. It is kind of similar in other benefits. I am not arguing one way or the other but I think we kind of owe it to ourselves, the taxpayers and Department Heads to have a discussion, kind of philosophically about our situation. To rephrase the question, who did you talk with?

Tera Klutz: It came from the Commissioners and it is in their packet. A letter from the Commissioners states that they have looked at all of them and it is their decision but you can make a recommendation.

Paul Moss: Okay, so they've got Public Defenders, Prosecuting Attorneys, Attorneys and County Council.

Tera Klutz: The Attorneys would be the County Attorneys that you generally think of.

Darren Vogt: The ones under Bill Fishering.

Tera Klutz: Yes.

Paul Moss: And it is \$1.1 million, roughly. That is Life, Health, HSA and PERF.

Darren Vogt: I don't know how you can eliminate an Elected Official from PERF.

Paul Moss: To your point too, you said full-time and I will use the Commissioners as an example, they would be included in that. I doubt that they assumed that.

Darren Vogt: I think their number only includes County Council as the only Elected Officials not included in that.

Paul Moss: There are no other Elected Officials on this list.

Darren Vogt: I believe there are only two of us on the County health plan.

Roy Buskirk: Three, I think it is.

Paul Moss: You can pick and choose. I will pass this around. I am assuming that these numbers are accurate.

Tera Klutz: They came from our office with the people from the benefit statements. As of that point in time, they were fairly accurate.

Paul Moss: It doesn't look like it is totaled up here but it is a significant amount. Obviously the majority of it is the health insurance. County Council is a small part but I will pass this around. I don't know how many part-time employees they are talking about here.

Tera Klutz: Those are the ones that are working over 30 hours a week.

Paul Moss: That is roughly \$250,000. The Public Defender is about \$270,000 and with PERF it is \$370,000. Prosecuting Attorneys is right around the same. It is just another part of the equation if you want to try to fund some of these appeals in another manner. That is why I am bringing it up.

Tera Klutz: You could drop the insurance line, like Paul suggests. You can't decide who is or isn't going to get insurance. You can make a recommendation to the County Commissioners.

Paul Moss: They actually have to make that decision?

Tera Klutz: Yes.

Darren Vogt: It is not our decision. For what I would like to get us through, I am not sure that's the way. The one we can decide is whether or not the

projection is right, not right or wrong, or if we want to lower that. My concern about that is not knowing and if we have looked at historical averages, and I am assuming that is what you have done, with the caveat that we don't know what is coming for 2012 with Obama Care then how are we going to go into that year from an expense standpoint? We just don't know.

Tera Klutz: If we would have an astronomical year, because we are self-funded and you chose to cut it, I would probably come to you and ask for Rainy Day Funding.

Paul Moss: Assuming that your claims expenses are higher than expected?

Tera Klutz: That is what I meant about the astronomical year.

Darren Vogt: Rollover funds or whatever cash is available for 2012.

Tera Klutz: Correct.

Darren Vogt: With that, we are at Voter Registration.

Roy Buskirk: With Voter Registration, a lot of that cut was in the fact that we thought it might be put under the Clerk of Courts and two positions would be eliminated. That would have amounted to about \$100,000.

Darren Vogt: Councilman Harris.

Tom Harris: I think it was mentioned that they came in with an appeal of \$99,780 but they could live with a 7.42% cut. That would take them back to \$66,723.

Roy Buskirk: Again, what is the 2008 budget for them?

Darren Vogt: I don't think their budget goes with the election year, does it much?

Tera Klutz: We kind of took what he suggested if they would have gone from the 2011 adjusted budget and took in the 7.42%. He said to Kevin Howell that he would make it work. That is if you give him \$66,723.

Tom Harris: I can make that as a motion.

Jackie Scheuman: Their 2008 expenditures were \$350,000.

Roy Buskirk: Does it fluctuate much?

Jackie Scheuman: The year before was \$300,000. It did go up from 2007 to 2008. Last year was \$330,000.

Roy Buskirk: So last year wasn't much from the 2008.

Tom Harris: I am probably going to have to get some help here because what I was working off of was the appeals number and not the total number.

Tera Klutz: You can make the motion to grant their appeal in the amount of the \$66,723.

Tom Harris: That is what I will do.

Kevin Howell: Second.

Darren Vogt: We have a motion and a second. Is there any further discussion? All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1(Brown absent). That puts us to the Cooperative Extension, Department 31, in the amount of \$20,668.

Tom Harris: My thought on that one is when we are in tough times and I am looking at that total amount of the appeal, I will make a motion not to accept the appeal.

Paul Moss: Second.

Darren Vogt: We have a motion and a second. Is there any further discussion? All those in favor please signify by saying aye.

Roy Buskirk: So what you are saying is that you are not going to accept the appeal amount so the \$20,942 will be cut from his budget?

Darren Vogt: Correct. We are not accepting his appeal and he will have to cut. We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-1(Buskirk)-1(Brown absent).

Paul Moss: Before we get too much farther, I saw Commissioner Peters come in and could you come up and help us clarify a couple of things on this part-time? I meant to bring this up when you guys were here before. This sheet with the suggestion about cutting the part-time benefits, when you say part-time employees with benefits, how many employees is that?

Nelson Peters: I don't recall.

Paul Moss: But you provided the numbers.

Tera Klutz: We provided all of the benefit costs for all of the employees.

Paul Moss: Okay. I am just trying to clarify because we are having a philosophical discussion.

Nelson Peters: There are benefits provided to employees who work 30 hours or more but less than 37.5 or 40. They receive health insurance. They do not receive PERF or life insurance.

Paul Moss: You have life listed on here.

Nelson Peters: I could be wrong.

Paul Moss: Public Defenders, do you recall how many people that would affect?

Nelson Peters: I want to say forty.

Paul Moss: Really, that many?

Nelson Peters: That may be in excess but in talking with Mr. Hammond, he indicated it was a number right around there.

Roy Buskirk: That might include the Public Defenders because they are under the same office.

Nelson Peters: If you are talking about the number of Attorneys, there are close to forty.

Darren Vogt: The Public Defenders and the County Attorneys are separate numbers.

Paul Moss: Yeah, you have Attorneys listed separately. Prosecuting Attorneys is fairly self-explanatory. Do you have any idea of the numbers because that is a pretty large one?

Nelson Peters: I think that is somewhere close to 35.

Paul Moss: You have County Council on here as well. I was under the impression that it was something that we could do but it appears that it's the Commissioners' responsibility. Is that your understanding as well?

Nelson Peters: Yes, it is.

Paul Moss: Are you all in agreement, it is your suggestion?

Nelson Peters: The idea here was simply to show Council that there were other ways to get to the \$1.2 million in additional cuts that you had sought. All we were trying to do was indicate that there are other ways to get there including the furlough program and the severance program.

Paul Moss: It is a pretty significant move without a doubt. It is something that I wouldn't take terribly lightly. I wanted to make sure that we at least brought it up. We are trying to look at the total budget and alternative ways to fund some of these appeals.

Nelson Peters: Right. We haven't come together and said let's do it but it is certainly an option as well as the other things that we outlined in the letter that we sent to you.

Darren Vogt: Some of those things were the furlough program and the early retirement program and they were hard to budget. You could only use projections. When I had my conversation with the Commissioners, I said those were great programs, let's bring them forward and talk about them but I don't know if we can use some of them when it comes to budgeting. Some of the programs were great cost reduction ideas but to put them into a budget practice, we would just be throwing a dart at it because we don't know who would take advantage of the program and who wouldn't. That was part of the problem.

Paul Moss: I guess what I would say, and in your experience Commissioner I don't know what you would think but there are a lot of employers out there that are looking at benefits for part-time employees. This would be a significant hit for a lot of people. I don't take it lightly but I guess from our perspective, the County Council perspective, this might be something that we should consider and I do think it is something we should consider for the Attorneys. I don't know if I would differentiate between the Prosecuting Attorneys and the Public Defenders but it bothers me a little bit not knowing how many hours some of these part-time attorneys are putting in. The group health benefit is a significant expense. I believe it is fairly unusual out in the world. Does that make some sense to you?

Nelson Peters: Let me give you a couple of arguments though. As you can well imagine, I got a couple of calls from some of the people on this list once this was circulated. In their absence, let me outline a couple of arguments that were made. The Public Defenders, Randy Hammond and I talked and he

suggested that while there were some in his stable who do have other jobs, he said you need these kinds of benefits to attract these folks to these kinds of jobs. He says that because we are a department that has to show certain caseloads and a certain number of attorneys doing a certain number of things, he says that if we can't attract those attorneys we won't be getting the reimbursements that we get. I then turned to the Prosecutor who suggested that her employees were full-time employees and didn't have the benefit of full-time, outside employment as some of the Public Defenders may have. To categorize them as part-time was erroneous. I haven't done any additional follow-up to that, at this particular point. I can tell you that the County Attorneys were actually brought onboard in 1996. That is a time when I was on the County Council and it was a move that I agreed to. The County Attorney will tell you too that it is a benefit that helps entice people to come to work for the County. I don't know if law firms have these kinds of benefits or not but it was suggested that a lot of times attorneys have to go out and find their own insurance and this was a benefit that would help to sort of stabilize the attorney workforce. I am just relaying that to you because these are arguments that have come back to me since this letter was crafted. I do agree that these are big numbers. This certainly wasn't meant to solve the entire budget issue but they are things that ought to be considered.

Paul Moss: Having the Prosecuting Attorneys on here surprised me a little bit.

Nelson Peters: It surprised her too.

Paul Moss: Again, I just bring it up for discussion because it was a suggestion made by the Commissioners. I am not proposing that we go one way or the other unless someone wants to push it.

Tom Harris: Do the part-time employees also get PERF?

Tera Klutz: No.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: I have a question on the Public Defenders. How are they paid? Aren't they paid by the hour?

Darren Vogt: No, \$40,000 a year.

Nelson Peters: Right, straight salary.

Darren Vogt: No matter how many hours or how many caseloads they get \$40,000 a year plus benefits.

Roy Buskirk: Okay. I thought some of the attorneys turned in an hourly.

Darren Vogt: You are thinking of County Attorneys that bill over and above.

Tera Klutz: Are you thinking of Guardian Ad Litem?

Tom Harris: Judge Sims brought that up.

Roy Buskirk: Yeah, Judge Sims brought up that fact.

Nelson Peters: To Councilman Vogt's point, County Attorneys do turn in timesheets.

Darren Vogt: And they bill us for over and above if it is not in the regular contract or agreement or whatever that is. He then bills us at \$150, is that right?

Nelson Peters: I think so.

Darren Vogt: As do all County Attorneys whether it is our County Attorney or the Auditor's or whomever.

Roy Buskirk: The ones that Judge Sims was talking about...

Tera Klutz: That is Pauper Attorneys and that is different.

Roy Buskirk: They don't get benefits.

Jackie Scheuman: That is paid from a contractual line item.

Darren Vogt: Thank you, Commissioner. We are now at Parks and Rec, Department 74 and their appeal amount is \$8,850. Is there any discussion on that? We asked them to cut \$29,364. If there is no discussion, are there any motions?

Bob Armstrong: If the amount that he was still talking about, the only thing that I don't like is that I would hate to cut that money and not be able to do the summer camp program. It sounds like the kids that attend the summer camp programs are underprivileged.

Tom Harris: If I can just make a comment as well, I agree with that but I look at \$8,000 and he mentioned that there are some cases where organizations can pay or provide support in the community for certain kinds of projects. That might be one where if you cut \$8,000, it is not going to be easy but there may be someone willing to pick up something to help.

Bob Armstrong: I agree but if that doesn't happen, you have cut a program that provides summer activities for kids.

Roy Buskirk: I am not sure that you would cut the whole seven weeks.

Darren Vogt: He said he would discontinue the seven weeks and summer camp would be discontinued. I am with Councilman Harris that this is the time is when you go to the foundations and community organizations. Especially since you are talking about kids, there are a lot of organizations that will support this type of cause. The other thing was taking the parks from seven days a week to six and having the Nature Centers change their hours. I don't see those as big impacts. I don't know what the actual cost of that camp is because the \$8,600 includes those other things. I know what that cost is. It is \$2,100. It is \$100 per person, seven weeks and thirty kids.

Roy Buskirk: This is one thing with the State financial seminar was that you can find it in the Yellow Pages. So sometimes you wonder that if it is in the Yellow Pages, why is the government providing it.

Darren Vogt: Are there any motions for the Parks Department? Councilman Moss.

Paul Moss: I don't want to beat this too much but if we agree to his \$8,850, did he say that was just for that program?

Bob Armstrong: There were also two part-time seasonal people.

Tom Harris: There was more than just the program.

Darren Vogt: The \$8,000 appeal, if I am reading this letter right, the department will not continue to provide the services that we currently provide and the 2012 allocation level and those services are Seven Day a Week Camp, the park will be open six days instead of seven and the Nature Centers at Metea and Fox Island hours will be cut at least one hour per day. Also, customer service and maintenance positions will not be staffed at their current levels.

Roy Buskirk: That seems like an awful lot for \$8,800.

Paul Moss: It does and that is why I am a little confused about it.

Tom Harris: My only concern is that if we are asking other departments to make significant cuts and these are appeals but I think that is probably an area that needs to be cut if we are making those tough decisions in other areas.

Darren Vogt: Essential services type of scenario?

Roy Buskirk: Yep.

Darren Vogt: Council, let's be consistent. We have had motions to not approve so let's just continue down that road. Are there any motions to approve or not approve? Not hearing, we can go onto the next one and assume that it is not going to pass.

Paul Moss: Move to approve the \$8,850.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. Is there any further discussion? All those in favor please signify by saying aye. All those opposed same sign. The motion fails 2(Moss and Armstrong)-4-1(Brown absent). Are there any additional motions to be made?

Tera Klutz: Doesn't need to now.

Darren Vogt: Yes, it is done and we are moving on. Next is the Surveyor, Department 06. The requested cut was \$46,308 and the appeal amount was \$45,338.

Tom Harris: My standpoint on that one was that it did represent one person, is that correct? Correct me if I am wrong. The only thought that I had was that if the situation should change, we would be forced to deal with more people coming through his door. The challenge becomes in a down economy, and help me remember this, he is going to have less people coming through the door or needing surveying work done. I think he said he is keeping up with that. If that would change and there is more demand on his staff, that might be something that we can look at later.

Jackie Scheuman: Tom, to interject, the Inspector position that is split between two funds, he has not filled that all year.

Roy Buskirk: That was the other thing that I was going to say that if you look at his carryovers for the last four or five years, he has run from \$202,000 in 2009 to a low of \$67,223 in 2006.

Paul Moss: He is averaging, according to his letter, \$105,000 return.

Jackie Scheuman: He had several open positions for a while but they are all filled except for this last one and it has been open all of this year.

Darren Vogt: So it would not be an actual FTE that would be cut. Council, we are at a time where other Department Heads have made tough decisions to eliminate actual live bodies and we are going to ask the Surveyor to keep a position open that hasn't been filled all year?

Jackie Scheuman: It wasn't filled all last year either.

Paul Moss: I move that we deny the appeal and make the cut of \$46,308.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. Is there any further discussion? All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1(Brown absent). The Prosecutor's Office was asked to cut \$209,255 and is appealing \$101,471. This is Department 8.

Tom Harris: I would just throw out that the Prosecutor has a pretty consistent track record of bringing additional funds back to the community. She is in a reimbursement situation for the considerable amount of work that she does. I would be in favor of passing the appeal amount of \$101,471.

Paul Moss: I will second that.

Darren Vogt: We have a motion and a second. Is there any further discussion?

Roy Buskirk: Do we want to make recommendations as to where they could pick up a little money?

Darren Vogt: Let's get through this first and then if you want to make a comment, you can.

Roy Buskirk: All right.

Darren Vogt: All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-1(Buskirk)-1(Brown absent).
Councilman Buskirk.

Roy Buskirk: We'll just wait now. We have already approved the appeal.

Bob Armstrong: I didn't get that. Shouldn't he have made his comments before we voted?

Darren Vogt: I apologize, I misunderstood what you meant. Next is the Building Department and he was asked to cut \$70,549 and he is appealing \$24,285. Is there any discussion on Department 29?

Roy Buskirk: The Building Department is in a very unusual situation in which their fees cover their budget 100%. I think we need to watch that because if we keep cutting their budget and the revenue stays higher than that, we probably should be cutting their fees. I think we can even possibly get into trouble with the State for overcharging. Here is an oxymoron situation with that in the Permit Committee we have had contractors and developers and everything else saying that they are willing to pay more on their fees if we can get more done electronically.

Jackie Scheuman: Roy, I just want to interject that their health insurance is not budgeted under there. That is an expense that is out here for that department.

Tera Klutz: That is not the only expense that is not in their budget. For the most part, we are not allowed statutorily to charge more in fees than we cover. There is more to their budget than what you see...

Darren Vogt: Building maintenance and utilities, there is a lot to it.

Tera Klutz: We often have to put it on paper to justify it.

Darren Vogt: Councilman Harris.

Tom Harris: I was going to add that in looking at the statistics, there is some demand and challenges to the community to improve and continue to improve on this. The fact that the Department Manager continues to track, and does a good job at that, I would be in favor of approving the appeal amount of \$24,285.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. Is there any further discussion? All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1(Brown absent). Department 41 is IT.

Tom Harris: I will just throw some thoughts out here. The Commissioners came forward with some thought that savings could be experienced through the reduction of the two Project Managers. I am getting tangled up in the numbers but I have \$91,140 versus the \$126,140. I am not sure that I am saying the right numbers there or not.

Tera Klutz: I have no idea either. I couldn't follow.

Jackie Scheuman: Tom, they did say that they would have to move some of that money because our contract would go up plus any projects that the Atos Manager worked on, if it was over forty hours, we would get additional billing. That is the piece that they thought would be more expensive. They didn't put a number to it but Commissioner Peters mentioned that there are several projects that they are working on that would be over forty hours.

Roy Buskirk: I couldn't follow what the long term savings would be.

Jackie Scheuman: I don't think they were saying that there would be long term savings.

Darren Vogt: I hate to bring people up once we have heard the appeal but the number that I had written down was somewhere around \$90,000. What is the pleasure of Council? We've got to come through with some sort of recommendation to either approve or not approve their appeal.

Roy Buskirk: The one thing that I am worried about is the \$91,000 figure. Is that moving the two out of the department and then paying for projects that are over forty hours? That is what I am concerned with. I don't understand if we are going to be saving money in the long run or not.

Paul Moss: There is someone out there that can probably answer that.

Darren Vogt: I hesitate to do that but I will ask both Commissioners to come up and have a discussion that is specifically IT.

Therese Brown: I think one of the things that we want to clarify here is that we do have a process in place under Data Board. It is called P-Squared. There is a process to which a department is required to go through a lot of hoops to justify their projects. It is possible, depending on the acceleration of the project, where it falls in the category of speed and getting it done and a

department may incur additional cost to get their project done. That is an argument that they have to go through to do that. There is a standard pattern though of prioritization in Data Board to make projects get completed. Not to say it is a misnomer but there are a lot of instances where projects are worked on over a longer period of time and would not add additional cost to the County. But that said, it is a philosophical point, I guess. Having our Project Managers within our department would be advantageous as Mr. Peters stated. Ultimately, will the work get done? I am sure the work will get done and we would have to work within the constraints.

Nelson Peters: Let me try to provide that clarity for you. \$95,000 is the number that we had and that is the amount that would have to go into the Atos contract. The point that I made earlier is that by giving up those two positions, this year they have saved \$202,000 worth additional charges that would have been incurred on the 40 hour plus language that we have in the contract. Any project, like Accela or any other project that goes over 40 hours, we get charged the full amount on. These people have been here and been on the project before it got to the 40 hours and because they have taken on the project, they have savings this year of \$202,000.

Therese Brown: And not to have a misnomer in here as well, they maintain our servers and the hardware and the software and all of those things. They are still going to be involved in some aspect of anything that impact data processing. One other caveat, if there is an increase to the contract, it would have to be worked through with the City of Fort Wayne and it would be a 50-50 split. It is one of the things that we did previous to this hearing and they had no issue in taking that on if that is how it played out.

Darren Vogt: One of the matrix, as I sit on the Data Board, is still in place is funding. There is a question in there for the department requesting that asks if they have the funding for it? That funding includes implementation of the project from start to finish.

Therese Brown: There are situations where a department goes the route of a special project and they need to have something done. There will be additional cost because it probably needs to be implemented sooner than later.

Tera Klutz: My first comment would be that we are paying \$2 million. Can't I get something done? We are going to try to get it done within the contract every single time instead of paying extra for it because I feel we are paying well.

Darren Vogt: It is the man-hours and scope of the project.

Tera Klutz: Right but as Therese said, if we can spread that out and not incur a fee...

Nelson Peters: There have been times that we haven't been able to get it done within the constraints and that is the \$202,000 savings that I have been talking about.

Tera Klutz: My personal experience with the Project Manager, particularly the one that has been working on Time and Attendance, I can say that her value to us we cannot put a price tag on. I think that is more to do with the person that is in the job but they work for us and not for a private company that is trying to get to their bottom line. They see our goals and we try to accomplish the same thing together. That is what we felt with the Project Manager under the County.

Nelson Peters: It is a control issue. Do you cede control to Atos and maybe not have your finger as close to the button as you otherwise would? Or do you keep somebody on?

Therese Brown: We don't want to insinuate that Atos is not attentive to our needs. Clearly they have done an excellent job in the last two years. I think it is a philosophical difference whether having them as a separate employee versus having them under contract.

Darren Vogt: Councilman Buskirk.

Roy Buskirk: I get lost in the math. The appeal is \$126,000. Are you saying that you could take \$95,000 off the \$126,000?

Therese Brown: Ultimately, the \$126,000 covered break and fix, server maintenance, our response time and the preventative maintenance. It is only a three-person department. The contract is in that budget that serves the entire County. There aren't a lot of areas I guess that one could cut the budget.

Nelson Peters: If you were looking at the value of having these people versus the thing that Commissioner Brown mentioned to the tune of about \$35,000, I personally would rather see the \$35,000 go by the wayside. That is the amount that allows us to get parts and fix machinery to do things a whole lot more quickly. The other thing was the server and server maintenance. That is the thing that I mentioned earlier today that you either wait four hours or

you wait until the next morning. If we had to give up anything out of that, my druthers would be to see that \$35,000 go.

Darren Vogt: Ultimately we are going to give you a dollar amount and you guys do what you agree to do.

Nelson Peters: I understand but what I am talking about is that under those items, I would hope that we could maintain that \$95,000 and if we are going to throw something to the wolves, it would be the \$35,000.

Darren Vogt: So \$95,000 is the number?

Nelson Peters: That is the number that I think we need to keep.

Tom Harris: \$126,140 is the appeal amount.

Roy Buskirk: But \$95,000 is what you say is what you need to make it work.

Therese Brown: That might have been calculated with the higher level of PERF.

Darren Vogt: If we do \$95,000, you will be able to make it with the PERF and all of that.

Nelson Peters: Right.

Tom Harris: I will make the motion of \$95,000 for Department 41.

Kevin Howell: Second.

Darren Vogt: We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1 (Brown absent). We are now onto Human Resources, Department 43. The requested cut was \$25,005 and their appeal was for \$11,546. Are there any comments from Council? Not hearing any comments, is there a motion?

Roy Buskirk: Where was Human Resources during our Council meeting this morning?

Tom Harris: From my standpoint, one of the concerns that I would have is from a cost management perspective, including workers comp and insurance and a variety of different things, I would be in favor of the appeal of \$11,546. That is a tight department and I would anticipate that as the economy starts

to improve, there will be high turnover and the challenges for the Personnel Committee are going to continue.

Roy Buskirk: The economy is not going to turn around in the next year. Are you saying that they wouldn't have any work to do?

Tom Harris: I will make a motion for \$11,546.

Bob Armstrong: To keep that amount?

Tom Harris: To keep that amount.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. Is there any further discussion? All those in favor please signify by saying aye. All those opposed same sign. The motion passes 4-2(Armstrong and Moss)-1(Brown absent).

Jackie Scheuman: Bob, you seconded it?

Bob Armstrong: Yes, I did that just to move it forward. I can vote any way I want to vote.

Darren Vogt: Building Maintenance is a little tricky. I have a number here of \$32,000. Does everyone else have that same number?

Jackie Scheuman: I had that they said to reduce it by \$110,000 and so I had \$32,430.

Darren Vogt: Okay so the number is \$32,430. Are there any questions or comments from Council?

Roy Buskirk: The one thing that we discussed a little bit was that we need to get all Building Maintenance personnel under the County Maintenance Department. I will make a motion to approve the appeal amount of \$32,430.

Paul Moss: Second.

Darren Vogt: We have a motion and a second. Is there any further discussion? All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1(Brown absent).The only way for us to do that is at budget time and would be to move those line items or eliminate them from ACJC and the Jail. We could take them from ACJC and move them to the Jail. What I would ask is that we can do that and direct the

Auditor to do that. It doesn't adjust the allocation but just adjusts the reporting duties. I hesitate to do that without having a solid foundation conversation with those departments. Those buildings have some specialty needs because they are different but why they can't be under the same department doesn't make a lot of sense.

Roy Buskirk: I hope that the Commissioners, with their plan of attack to come up with some savings, that they will investigate that.

Darren Vogt: Speaking of the Allen County Juvenile Center.

Paul Moss: What is our number? Where are we at right now?

Jackie Scheuman: I thought you didn't want to know until the end. Darren did not want to know until the end.

Darren Vogt: We can add it up. Go ahead and give the number. That is fine.

Jackie Scheuman: \$1,710,807.

Darren Vogt: That is how much we have approved?

Jackie Scheuman: No. You have approved \$472,865.

Darren Vogt: And that is the Rainy Day money that we are hearing today.

Roy Buskirk: I think on Department 55, their appeal amount is \$130,000?

Darren Vogt: I didn't have anything different on that. Council, we are going to have to hold on for a minute because we have side conversations going on. I want to make sure we are on the same page because Councilman Buskirk says that ACJC is \$130,000.

Tom Harris: Judge Sims didn't change his number.

Jackie Scheuman: Not that I am aware of.

Darren Vogt: Are there comments on ACJC, Department 55?

Kevin Howell: I worked there before and I am intimately familiar with the department. From back in the 1980's to where it is now, there is tremendous improvement. I tried to convince the Judge that under the financial circumstances now, we cannot do everything. I suggested to him and I don't think he got it but I suggested going halfway. That way he can keep it up and

running to the extent that it is necessary. Half of that would be \$90,000 or there about.

Jackie Scheuman: \$95,431.

Kevin Howell: That is what I am suggesting, \$95,431.

Darren Vogt: Is that in the form of a motion?

Kevin Howell: I would like to move to allocate \$95,431 to Allen County Juvenile Center.

Darren Vogt: Is there a second to that motion? The motion dies for lack of a second. Is there any other discussion or motions for the Juvenile Center?

Tom Harris: It was a tough discussion and the Judge had put a considerable amount of thought into prioritization, where he had to cut and if he had to cut. At one point in the discussion, he mentioned that this is probably the area that he would do that if he had to. I was leaning towards not approving the appeal of \$190,862. He indicated that he was asking for that amount but if he had to, he would not go there. I think that was the DAP Team, right?

Darren Vogt: Right, although he made it pretty clear that he was trying to keep it but from that perspective I thought he was saying that it would be eliminating all of the supervision of the 150 kids that are out there.

Roy Buskirk: Right. He is already cutting 60% of what we asked him to.

Darren Vogt: I didn't catch that this was a motion.

Tom Harris: For me, no, I haven't made a motion. I was just recalling some of the conversation.

Paul Moss: He makes a great argument because we are at a distinct disadvantage of not knowing the operations as well as the individuals that are managing them. I guess what I took from his comments that they are not at capacity. He is concerned about being at capacity and they have never been there. They have been close. His letter, if I recall correctly, talks about some high times that they have had in terms of the number of beds that were filled and all that. Also that there is not such a waiting time, I think, for the release. Given our effort to try and prioritize all of this, I would move that we deny the appeal of \$190,862. I think he has some room in his budget to do some things if he needs to.

Tom Harris: Second.

Darren Vogt: We have a motion and a second. Is there any further discussion? All those in favor please signify by saying aye. All those opposed same sign. The motion passes to deny 4-2(Armstrong and Buskirk)-1(Brown absent). With that, we are at Department 5, Sheriff's Department. The amount asked to cut is \$1,411,060 and the appeal is \$1,047,080. That is with a cut of \$363,844.

Roy Buskirk: As I mentioned earlier, Councilman Brown and I and because I am the liaison to the Sheriff we discussed it and went back last Friday with a new amount to cut of \$470,307. That is a third of what his appeal was. He came in with a proposed cut of \$363,844. In essence, he is still short \$106,467.

Paul Moss: I want to make sure I understand your number. What number are you suggesting?

Roy Buskirk: We met with him last Friday and asked him to cut \$470,307 which is supposed to be a third of the \$1,410,924.

Paul Moss: Okay, but it sounds like you have had some interaction back and forth and have arrived at somewhat, if I am hearing you correctly, a number.

Roy Buskirk: In his letter this morning...

Paul Moss: I know but is that it or did you move beyond and there is additional? I may be misunderstanding.

Roy Buskirk: No. That is his total cut. We asked him to cut \$1,411,060 and his appeal was \$1,410,924. So I guess he did cut \$146 the first time.

Paul Moss: I understand. Let me rephrase this. The Sheriff voluntarily or under duress possibly, added \$256,158 to the reduction.

Roy Buskirk: How much?

Paul Moss: Okay, the amount of his appeal is \$1,410,924. He then brings in this letter...

Roy Buskirk: This morning.

Tera Klutz: He is not referring to this morning's letter.

Paul Moss: I don't care about the timing. Just hear me out for a second. The \$1,410,924, if anyone has a calculator subtract \$256,158. That becomes the new number.

Darren Vogt: Where did you get that number from?

Tera Klutz: In his original allocation letter.

Paul Moss: I'm sorry. I am looking at the wrong number here. I was under the impression that he dropped the \$1.4.

Darren Vogt: No.

Paul Moss: And did not do that in his discussions with you at all.

Roy Buskirk: No.

Paul Moss: Okay, I apologize for wasting time. I was looking at the wrong number and assuming that the \$1.4 had been dropped somewhat voluntarily in discussions with you.

Jackie Scheuman: Yes, he did, by \$363,000.

Tera Klutz: He just decided that this morning.

Tom Harris: This morning, he dropped it \$363,844.

Paul Moss: Okay, so subtract \$363,844 from the \$1,410,924, is that what you are proposing right now as a motion?

Roy Buskirk: No.

Paul Moss: We clearly need to get out of here sooner than later.

Roy Buskirk: Here is what I am saying. Here is all you need to remember, Paul, is that Friday we went back and met with him. We asked him to cut one-third of what he was originally asked to cut.

Tom Harris: Can I jump in here? Why one-third? What was the rationale behind that?

Roy Buskirk: Trying to be cooperative and coming up with...

Tom Harris: So it was nothing scientific.

Roy Buskirk: No, we had come up with a couple of different things. One of them is the sworn Officers paying three percent, which is \$180,000 to \$190,000. We felt that there were some positions that could be eliminated and some sworn Officers could be put into the field and replaced by civilians. Also, some encouragement of retirements and that is the reason that we came up with the one-third.

Darren Vogt: Looking at essentials, administrative staff and things like that.

Roy Buskirk: Darren was in the conversation.

Roy Buskirk: Then we asked him to cut \$470,307. Of that, this morning he proposes \$363,844. That leaves him short \$106,467 from what was asked last Friday.

Paul Moss: That gap is not too huge.

Roy Buskirk: Right. The one way of making that without interfering with any staff or anything, as I mentioned earlier about the three percent for additional funds for the sworn Officers into their retirement, it wouldn't have to be the entire three percent to make up the shortage of two percent. That would be roughly \$120,000 and would take up the shortage of \$106,000. Does everybody understand that?

Darren Vogt: We have asked all of the other County employees to contribute to their retirement fund. The argument could be made that the Sheriff's Department has already been paying and they do contribute three percent. There are both sides of the argument. The County has been paying ten percent on the employees and thirty percent on the sworn Officers. The theory is to be equitable across County employees and to make the adjustment to the Sheriff's Department sworn Officers as well.

Paul Moss: Who makes that adjustment? We can do that or are you just talking about cutting the dollars?

Tom Harris: The budget amount and then it is up to him.

Darren Vogt: We would do it on our budget, we give him an allocation.

Roy Buskirk: There would be the other possibility, what is the fund from the Jail?

Bob Armstrong: The Commissary.

Roy Buskirk: It could be from the Commissary fund to make up this shortage. The Commissary fund has been carrying a balance larger than this.

Paul Moss: My math has been so poor that I am not making a motion.

Darren Vogt: What is the pleasure of Council?

Roy Buskirk: I am just trying to figure out how to do it.

Darren Vogt: Remember, all we are going to do is a number unless you are going to do something specific.

Roy Buskirk: I guess the way to do the math is to take the \$1,410,924 and deduct the \$470,307.

Nick Jordan: \$940,617.

Roy Buskirk: \$940,617, thank you.

Bob Armstrong: So he is just doing a number and not saying that you are going to cut the PERF.

Roy Buskirk: Correct.

Bob Armstrong: You are just giving him a number and saying use it.

Roy Buskirk: Correct.

Tom Harris: That is \$106,000 more than what he has cut.

Roy Buskirk: Actually, we would approve an appeal amount of \$470,307.

Tera Klutz: Opposite.

Darren Vogt: Opposite. We would approve...

Jackie Scheuman: \$940,617.

Roy Buskirk: Oh, that's right. That is the reason I had you do that.

Paul Moss: Is that in the form of a motion?

Roy Buskirk: My motion is that we approve an appeal amount of \$940,617.

Darren Vogt: That was a motion. Is there a second to that motion? That motion dies for the lack of a second.

Paul Moss: Move for approval of the revised appeal amount of \$1,047,080.

Tom Harris: Second.

Darren Vogt: We have a motion and a second. Is there any discussion?

Roy Buskirk: How he came up with that is he took the cuts that were presented this morning from the \$1,410,924.

Darren Vogt: We are approving his appeal request.

Tom Harris: Revised appeal.

Darren Vogt: Revised appeal request of \$1,047,080.

Bob Armstrong: That he says he can work with.

Darren Vogt: Correct. We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 5-1(Buskirk)-1(Brown absent). Jackie, can you give us a total that we have approved.

Jackie Scheuman: \$1,519,945.

Darren Vogt: Council, at this point in time, we need a motion or discussion as where to fund that from. Obviously, the conversation has been around the Rainy Day Fund. Councilman Moss.

Paul Moss: Reverse that number again.

Jackie Scheuman: The total budget amount is \$78,519,098.

Bob Armstrong: That would be for 2012.

Jackie Scheuman: Correct.

Tom Harris: Jackie, can you give me the last part of \$1,519...

Jackie Scheuman: \$1,519,945.

Darren Vogt: Council, I have the advantage of technology and I have a clarification that needs to be made. On IT, we agreed, as I recall the motion, to approve an appeal request amount of \$95,000. Is that correct?

Tom Harris: Yes.

Darren Vogt: Okay. We did not cut their amount by \$95,000. We reduced their appeal by basically \$30,000.

Jackie Scheuman: Correct.

Darren Vogt: That is what we did. Is that still the pleasure of this Council?

Kevin Howell: That is my understanding.

Roy Buskirk: So now we have \$1,519,945.

Paul Moss: I would like to make a motion to adjust, and I don't have it in front of me, the allocation that we have for group health claims by \$500,000. I would like to drop that and then you can recalculate that Rainy Day Fund amount. Whatever that amount is, I would move that we approve that amount from the Rainy Day Fund to make up for the rest of this. Then I would point out that as I have mentioned a couple of times, the way I try to look at this is what is the cost of County government with budgets and levies and that kind of stuff. If you look back historically, this sheet goes from 2001 to 2010, the operating expense for the County in 2010 was \$83.8 million. What we are about to approve is \$5.3 million less than that. I believe that is really significant and really good. This has been a horrendously long day in many ways and I greatly appreciate everything that the Department Heads have done and gone through all of this. I think that is something that we can all be very proud of. That is my motion, whatever that number is.

Darren Vogt: \$1,019,945.

Paul Moss: Minus the \$500,000?

Darren Vogt: Yes. The motion includes reducing the health insurance by \$500,000. Does everybody follow that motion?

Tom Harris: Maybe just a clarification. That would take the Rainy Day to sixteen?

Darren Vogt: Something like that. I will restate the motion so that we can a second and have any further discussion. The motion is to take the health

insurance allocation down by \$500,000, in the 2012 budget and appropriate in the Rainy Day Fund \$1,019,945.

Bob Armstrong: So what is the affect on the insurance?

Darren Vogt: There is no affect. We just took the amount that we had for our paid claims and lowered it by \$500,000.

Roy Buskirk: Hoping and praying that our claims are lower.

Darren Vogt: And it is a guess every year. In some years we have had to pay extra and some years not.

Paul Moss: There is some risk associated with that but I hope that we are going to see a downward trend in claims expense. If we don't, we will have to address it.

Darren Vogt: We have a motion, is there a second?

Tom Harris: Second.

Darren Vogt: The Auditor raised a clarification.

Tera Klutz: I would like to make a clarification. This last spring, the legislators allow you to transfer money without appropriation, from the Rainy Day Fund. This lets us keep the entire budget in the General Fund. You would approve the full budget of \$78,519,818. Instead of appropriating that in the Rainy Day Fund, we will just make the transfer.

Darren Vogt: Okay.

Tera Klutz: You can keep your motion and the second. I just wanted to let you know that is how it's going to look. You won't see a budget in the Rainy Day Fund.

Darren Vogt: So what we will have to do is a physical transfer in 2012.

Tera Klutz: I believe that we will do a physical transfer in 2012. We will do it at the beginning of the year.

Darren Vogt: We have a motion and a second. Is there any further discussion on that motion? All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1(Brown absent). It has been a long day. I would like to say thanks to our Department Heads for coming up

in front of us. It takes a lot of effort for them to come before us. We tend to ask questions and it can be hard. I want the County employees know that we do take our job very seriously and thank them for their work and will continue to do what we can do to move forward. With that, the hearings are done.

Tera Klutz: Just approve the second reading. Waive the approval, just in case.

Darren Vogt: We need a motion for that.

Tom Harris: So moved.

Darren Vogt: We need to have it read into the record. We need a motion for approval to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council budget hearings dated September 22, 2011.

Tom Harris: I will make that motion.

Bob Armstrong: Second.

Darren Vogt: All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1 (Brown absent). We need a motion to adjourn.

Tom Harris: Move to adjourn.

Bob Armstrong: Second.

Darren Vogt: We have a motion and a second. All those in favor please signify by saying aye. All those opposed same sign. The motion passes 6-0-1 (Brown absent).

There being no further business, the meeting was adjourned at 4:53 p.m.