

ALLEN COUNTY COUNCIL MEETING MINUTES
SEPTEMBER 20, 2012
8:30 AM

The Allen County Council met on Thursday, September 20, 2012 at 8:30 am in the Chambers in 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: Robert A. Armstrong; Larry L. Brown, Roy A. Buskirk, Tom A. Harris, Kevin M. Howell, Paul G. Moss and Darren E. Vogt.

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

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

Larry Brown: Good morning everyone. We have three sets of meeting minutes to approve. Do you want to do them individually or do all three as a package?

Roy Buskirk: Package.

Darren Vogt : Move to approve the minutes from July 25 and 26 and August 16, 2012.

Bob Armstrong: Second.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Tera, can you give the financial report, please.

Tera Klutz: Good morning Council. In your packet is the August 31st financial statement for the General Fund and the other major funds. As you can see, the General Fund basically has no more money left to appropriate. The Sheriff is on the agenda to get \$10,422 appropriated. That can work because he is going to get reimbursement. We raised our revenue estimates by \$10,422 and then we can appropriate his \$10,422. I am saying that now because there is no more revenue to appropriate out of the General Fund for things that do not have an offsetting revenue increase through the rest of the year.

Larry Brown: Are there any further questions for Tera?

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Roy Buskirk: On the Miscellaneous Revenues, overall, how are they coming?

Tera Klutz: August represents 66.67% or two-thirds of the year and we are at approximately 71% of collections for the year. We are kind of right on. My number comes after we back out the property tax reimbursement. Currently, when a property owner gets a refund, the General Fund fronts all of the money and it comes out of our unappropriated cash balance. At settlement, every year, the General Fund gets reimbursed because we reduce the property taxes that we distribute to all of the units by the amount of the refund. The refunds that we were reimbursed for this year were \$1.1 million. After I back out some of those refunds so that we can see a true picture of how much revenue we have collected, it is about 71%. We are collecting right on target.

Roy Buskirk: You're talking about the Tax Sale.

Tera Klutz: I wasn't talking about the Tax Sale. I said refunds, tax refunds.

Roy Buskirk: Right.

Tera Klutz: Would you like me to talk about the Tax Sale?

Roy Buskirk: Please.

Tera Klutz: Sure. Last Wednesday, we had our Tax Sale. It was very successful. We had more properties for sale than last year and we sold 54% of them. We collected \$1.1 million of tax that will be distributed to all of the units in December along with the November 10th property tax collections.

Tom Harris: You project some revenues coming, obviously, from that sale. Is this above or below what you projected?

Tera Klutz: Normally it is a pretty steady flow. When I do my annual property tax revenue estimate, say for 2013, I technically don't factor that as a separate estimate because not everyone will pay their November 10th by that deadline. We received \$1 million this year and probably close to that in last year's Tax Sale and that gets lumped in with all of the taxes that we collect in November. To see how that will impact our revenue, we won't see that until December. If everyone would pay by November 10th, we could potentially see over 100% of our property tax collections but with the Circuit Breaker, I doubt that we would see 100% of our property tax levy collected.

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Roy Buskirk: I guess the one reason I was asking if the collections from the Tax Sale was to see if it would give us any more funds that we could appropriate.

Tera Klutz: That is a good question but the answer is no. The Treasurer acts as a depository for all of that money and we have no access to that money. We pull it together by taxing district and we have to subtract any refunds. We pay refunds every single day, in the Auditor's Office. They are for corrections to assessments or people have overpaid in prior years. We have to take the amount we collected including the Tax Sale amount, subtract any corrections that we made during the year and subtract any refunds that we will make until December. We will arrive at the net amount that gets distributed to all of the taxing units in Allen County. We will know that number in December.

Roy Buskirk: Is that something that you do automatically or does an individual have to come in and request the refund?

Tera Klutz: Oftentimes a refund will result in an individual appealing their property assessment.

Tom Harris: In terms of some of the revenues, the Treasurer is listed at 25% versus 66%. Is that pretty normal?

Tera Klutz: That is very normal because she gets the majority of her revenue in December when the Tax Sale receipts are deposited into the County General Fund.

Roy Buskirk: I will make a motion to approve the financial report.

Darren Vogt: Second.

Larry Brown: Is there any further discussion? All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Nick, are there any August figures available?

Nick Jordan: Those will be available tomorrow.

Larry Brown: Can you highlight the unemployment?

Nick Jordan: On your agenda you will see June and July. Allen County went from 7.8% in June to 7.7% in July. Indiana remained at 8.3%. National went from 8.4% to 8.6% in July.

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Tom Harris: Again, the unemployment rate for Allen County is beating both the State and National.

Larry Brown: Okay, you see what additional appropriations are requested and Tera highlighted for us that there are no funds available. We will start out with Economic Development. First on the agenda are a couple of LEDGE agreements.

Mark Royse: Good morning, Mark Royse, Deputy Director of Economic Development. With me is Tom Scrogam from SDI/LaFarga. This was introduced last month and the summary is LEDGE agreements are performance-based situations where it is not paid until after the performance has been completed. In this situation, it would be a total commitment of \$102,695 over a seven-year period. This is just a County-only situation. The next one you see is a joint situation between the City and County. The breakdown of disbursements is in the agreement that you have.

Larry Brown: Are there any updates you want to give us?

Tom Scrogam: Sure. Originally the plan was to spend around \$37 million to \$39 million and we have invested over \$44 million. We have an employee level of 34 and we have two positions opening that we are seeking for. The payroll is on to be over \$2 million for this first year.

Larry Brown: Very good.

Roy Buskirk: So you are up and running now?

Tom Scrogam: In the last couple of months, we have been commissioning the equipment and we are close to the final product stage. This week, we sent our first test shipment to a customer. Things are going very well and hopefully in the next month or two we will be making a lot of sales.

Larry Brown: I have a question. I am curious, is your customer base domestic or foreign or both?

Tom Scrogam: Primarily it will be domestic within the Midwest. For copper wire and copper rod products, the Midwest is a very nice footprint for us to be in. We will have some international for the by-products but the majority of the product will be here in the domestic market.

Larry Brown: And this is solid product and not tubing?

Tom Scrogam: Correct on the electrical wiring side.

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Darren Vogt: Council, I had a chance to tour that facility and watch it operate and I will tell you it is an amazing environment. It is a hot environment, that's for sure. It is an amazing facility to see. I don't think I have ever seen green heat but I think it is from the copper and the gases that it emits. It was an incredibly interesting process to watch. Congratulations on a great product.

Larry Brown: Roy.

Roy Buskirk: Is that the only facility of that type in the United States?

Tom Scrogam: That is correct.

Larry Brown: Are there any further questions?

Darren Vogt: Move for approval of the LEDGE agreement for SDI/LaFarga.

Roy Buskirk: Second.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Thank you and welcome to Fort Wayne-Allen County.

Mark Royse: This LEDGE agreement is with R3 Composites located in Grabill. This is a joint City-County agreement that is proportioned based on the distribution of CEDIT taxes where the total amount is \$332,332 over a five-year period. The County's overall contribution will be 25% which is \$83,083. Andy Boxberger is here to answer any questions on behalf of R3 Composites.

Larry Brown: Maybe an update on how they are doing?

Andy Boxberger: Sure. As you know, this was a vacant facility that they took over. They got it up and running. They started with zero employees about a year and a half ago and now they are up to about fifty. They are growing quickly. It is kind of project-based and they are out there getting new projects and are hiring on new employees. They hope to keep growing at a pretty exponential rate.

Larry Brown: We heard yesterday from the Town Board that they have done a lot of infrastructure and improvements and draining improvements and things like that.

Andy Boxberger: Yes, they had a sewer issue where their storm drain was hooked up to their sewer and they have been working to correct that. There

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was an issue with a ditch on the back side and they did some corrections with that as well. Their hope is that if things grow the way they want them to, they could even expand that facility in the future. I think it is a realistic possibility that it could happen.

Tom Harris: That was a clear example of a facility sitting there waiting for someone to occupy it. We worked together and pulled that off. Congratulations on that process. I was at the Town Council meeting last evening and they are excited to have that in Grabill and it is great to watch that continue to grow.

Darren Vogt: The expansion that you mentioned, hopefully down the road, does not include what they are projecting here, right?

Andy Boxberger: Correct.

Larry Brown: Are there any other questions?

Darren Vogt: Move for approval of the LEDGE agreement for R3 Composites.

Roy Buskirk: Second.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.

Roy Buskirk: Mark, if you could stay for a second, I have a question for you. On the previous one, it was only the County. On this one, it is City and the County working together. What determines that?

Mark Royse: Basically there is a program set up and it is a minimum investment and total number of jobs. In SDI's case, they are well-paying jobs but there are only 34. On their tax abatement application was 35 total jobs. In the case of R3 Composites, it is going to ramp up. It is a start-up company that is going to have 50 now and hopefully over the next three or four years it will be up to 400. That program is under review just as tax abatements are under review.

Roy Buskirk: Obviously it is not location.

Mark Royse: No, it is County-wide.

Roy Buskirk: Okay, thank you.

Larry Brown: Next on the agenda, Nikki is going to give us an update.

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Nikki Liter: Good morning, Council. This is just a quick review of the annual tax abatement analysis. This is for 2011 pay 2012. I am just going to highlight some of the finer points. As just a review, tax abatement is just a phasing in of taxes for companies and usually it is scheduled at a three, five, seven or ten-year abatement and there is a designated schedule with that. The program was started in 1982 and as of the end of last year Allen County saw 282 tax abatements granted. Also, since the beginning of the program, companies have committed to investing more than \$2.1 billion in the community. For local businesses, tax abatements or phase-ins are generally the only available assistance for those businesses. A lot of people want to know how tax abatement compares to other deductions in the County. Just to give you a look at that, there is a chart in your packet and it shows that tax abatement only counts for 1.4% of the total deductions given in the County. Homestead is the largest with almost 80%. Last year was a busy year. Allen County granted abatements for sixteen companies. Of those sixteen companies, three were granted in New Haven and one in Grabill. We are looking at totals of \$89.5 million in real improvements and \$98 million in equipment purchases. Last year, we saw a big increase for new construction and that is why you are seeing a dramatic increase in the real improvement dollars. From 2010 to 2011, there was a 597% increase. In 2010, it was a little under \$13 million whereas last year we saw almost \$90 million. In personal property, it looks like there was a decline of 48.5% however, if you realize at the end of 2010, GM was granted tax abatement for some equipment that they were buying. In 2011, they started to utilize that equipment and that was around \$190 million. We also saw an increase in 2011 for created jobs. In 2010, we projected 219 new jobs whereas in 2011 we were looking at over 1,200. That is an increase of over 458%. Again, it is because of those six companies that were brand new to the community last year. Retained jobs shows a small decrease of about 20% and again that was because in 2010 we showed GM on the rolls as far as retaining their over 3,000 jobs. As of the end of the year last year, it needs to be noted that they actually retained over 3,400 jobs. In 2011, we were looking at companies retaining over 2,700 jobs. The numbers are still outstanding. Also provided in the analysis are the tax abatement contributions. Companies can contribute part of their savings back to the community to be used for future economic development. That fund was established in 1992 and is completely voluntary. We do have companies that sign up but they may or may not actually contribute. A rundown of that is as follows: we had 20 companies that were signed up to contribute and of those 20, 14 actually sent in their contributions. That totaled almost \$58,000 this last year. That brings our running total, as of September, at \$678,900. Again, that is a little bit different than what I put in your packet just because right after I sent this out, I had another company send in a contribution. In 2011, of the sixteen companies that applied for tax abatements, three of those companies signed up for voluntary contributions.

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We will look at that next year to see if they will contribute because a lot of the companies that have been contributing, this was their last year for tax abatements. As a side note, with approval of House Bill 1007 last year, Allen County had the ability to enhance our tax abatement program further. Again, we did a joint City and County committee to talk about the Super Abatement. That just gives the County the ability to grant tax abatements at a ten or seven-year plan with the first five years being 100% deductible. There are some rules with that. The County and City decided that in order to be eligible for that Super Abatement, companies had to show on their application that they are paying at least 10% above the average annual wage in the County or in Fort Wayne for specific job codes. It is nice because the companies can list each specific job that they are creating or retaining and we can see if they are actually paying compared to the website.

Darren Vogt: Can I interject something right there?

Nikki Liter: Sure.

Darren Vogt: On the chart on page six, I think we ought to adjust that chart to reflect the new information that we are going to gather because what this chart does is compares it to the average annual wage. I would almost rather compare it to the jobs that they are hiring.

Nikki Liter: The nice thing about that for next year, since we have been using the new application is that you will see this chart shift a little bit. We will have better results and it will be more specific.

Darren Vogt: Right, so this chart will be replaced by something that will be a little bit more job specific.

Nikki Liter: Yes. With that, if you have questions, I will be happy to answer them.

Tom Harris: Nikki in terms of 2011, an understanding of it, how did 2011 compare to previous years?

Nikki Liter: 2011 was outstanding compared to all the way back to 2007 just because of the economic recession. Every year, we have seen a steady increase.

Tom Harris: How does Allen County compare, in terms of this process, with other Counties around us?

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Nikki Liter: Basically what we see is that Allen County and Fort Wayne are models for other communities. It is kind of like whatever we do, they kind of model it. As far as the Super Abatement goes, I don't know how many Counties are actually using that and to what extent they are using it. One time, last year, we were looking at a community that was looking at ten years at 100%.

Tom Harris: In terms of stats, how are other Counties in this region looking in terms of dollars, investments and such?

Nikki Liter: We are above, in the region. We are doing a lot more projects, especially last year.

Tom Harris: Okay and then finally, on the Super Abatement, what is happening this year? Do we see any impact with the Super Abatement changes and in 2012, how does that compare? Are we still increasing opportunities? Where is Super Abatement going to help us in the future?

Nikki Liter: So far in the County, I haven't received any applications that would have met the criteria for Super Abatement. As far as the City goes, I think they have had one that would be paying 10% above the annual wage. It is still a tool in our toolbox.

Tom Harris: Are we anticipating 2012 and 2013 to continue on an increase in terms of opportunities of growth or do you see that leveling out?

Nikki Liter: 2012 has been a little bit slower than 2011.

Tom Harris: Are there any reasons for that?

Nikki Liter: Well, I am not real sure. We had a lot of new projects last year but you are not going to see that every year. There were a lot of big new projects.

Tom Harris: My only thought was with the State changing some of its policies in terms of taxes and other aspects. That might help continue this increase in terms of growth.

Larry Brown: Are there any other questions for Nikki?

Roy Buskirk: Yes and I am not sure on the LEDGE agreements that we just passed compared to tax abatements. I think there are some that would be in favor to approve more LEDGE agreements because that is actually a reward

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after they have performed. With the tax abatement, it is reduction of the taxes before they have performed.

Nikki Liter: They have to show compliance every year. I think Tera can explain it better on when the abatement actually takes place.

Tera Klutz: They have to perform, which means make the investment before the tax abatement takes effect. They don't get an abatement unless they make the investment in real estate or personal property. Dollar for dollar, it comes out of the County's pocket if you make a LEDGE agreement versus just off the tax base.

Roy Buskirk: Right. Part of the problem with tax abatement is that they have to make the investment as far as the building; but in the scoring system, you have employment and other items in there that are sometimes not followed through as much as what they anticipated.

Tera Klutz: Right and it is to your discretion to actually waive that and take away the abatement even though we have heard that it is impossible or hard to do. It can be done. You can still make that determination if there is a reason other than the economy or recession. If you feel like that someone fraudulently told you misinformation that abatement can be taken away. I believe that this primarily doesn't happen and that anytime that they don't meet the projections it has to do with factors outside of their control.

Nikki Liter: Again, that policy is under review.

Larry Brown: Are there any other questions for Nikki? Thank you, Nikki. Next on our agenda, we will hear from the Sheriff on an additional appropriation. Actually there are two.

Ken Fries: Good morning, Council. I think the first one before you is the \$10,422 for the Overtime. I was told this morning by my Comptroller that there has been \$7,500 deposited and we had a recent retirement in the Court Security. If we can get that \$7,500 re-appropriated back into that line, I think we can cover it. We can use unused salaries for the other \$2,500.

Darren Vogt: Say that again.

Ken Fries: We were originally asking for \$10,422 but the Federal Government has reimbursed us \$7,500 and some and we would like to get that appropriated into the line to use and we can come up with the additional \$2,500 from the retiree's salary line.

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Darren Vogt: So in other words, you don't need anything from us today.

Ken Fries: No, I need that \$7,500.

Tera Klutz: He needs the \$7,500.

Darren Vogt: Oh, you need that because the revenue is still coming in. I gotcha.

Roy Buskirk: Do we have an exact number on that so we can put it into a motion?

Tera Klutz: Yes, just let me get my calculator out.

Larry Brown: While we are waiting on Tera to do the math, without being specific, there have been some things in the news lately that I would suspect that caused the need in this overtime. There have been cases that have developed.

Ken Fries: Correct. I would certainly like to say more but I can't.

Roy Buskirk: I have a question for the Sheriff. After last month's discussion on the medical cost for the jail, we received a letter from an insurance company in Tennessee. They said that they would verify the Medicare plus Four and that the billings were correct. I talked with the Vice President of that company and he assured me that there is no cost. They only charge on any savings that they discover. I understand that you were checking that out also.

Ken Fries: Right, one of our employees does that. Dr. Blusys is going to talk to them and see if they can give any additional assistance in that especially since it costs nothing. What he has come up with yet, I am not quite certain. He is the doctor in charge of the entire medical program. I forwarded the information for him to get with them and find out.

Roy Buskirk: I happen to have a niece that works in billing for a hospital in Florida and it makes so much difference on what code you put in on how much reimbursement there is.

Ken Fries: That may save us some but the big savings will be if we can get this law changed. If we can get that pre-existing thing removed it will save us millions.

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Roy Buskirk: Another thing in that letter is that they mentioned the fact of having insurance will stop on the medical cost with purchasing insurance.

Ken Fries: I know that Blusys is handling all of that. I don't know if he has spoken to them about that or not.

Roy Buskirk: Okay.

Tom Harris: Say that again, Roy, I am not sure I understand that.

Ken Fries: There are companies that sell insurance for inmates.

Darren Vogt: It is a stop-loss with the maximum is like \$10,000. I got some numbers on it and it is expensive. It is not a route that we want to take, in reality.

Tom Harris: That brings up a discussion that we will probably have a little bit later, in terms of cost containment for medical fees. We've got to get ahead of that curve, whatever that means. It needs to be from legislation or internal processes or evaluation or analysis. We've got to do something.

Roy Buskirk: I will always yield to an insurance agent and a hospital executive when it comes to those kinds of questions.

Tera Klutz: The new amount is \$7,590.

Larry Brown: Okay, do I hear a motion?

Roy Buskirk: So moved, \$7,590.

Larry Brown: Motion to approve, correct?

Roy Buskirk: Yes.

Tom Harris: Second.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. The next item?

Ken Fries: The next item is the Misdemeanant Fund for \$224,818 to be appropriated to pay medical bills for another month.

Tera Klutz: The expenses are running high, he came a couple of months ago for \$400,000 and we only had a certain threshold in the General Fund. We

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gave him what we could and told him to use the Misdemeanant Fund which just received a deposit of \$224,818. It is an annual deposit. I informed him to come back next month if he doesn't have any other funds available in the budget to transfer to. He would come for the Rainy Day Fund because the General Fund won't have any more money for inmate medical expenses. It is probably even higher now than it was a couple of months ago.

Ken Fries: Yes, unfortunately.

Tom Harris: Sheriff, just a question on that. This is a reimbursement and where are we receiving this reimbursement from?

Ken Fries: From the State.

Tom Harris: How is that number determined?

Ken Fries: It is determined by the number of inmates that are held after the conviction date and we hold for DOC and they reimburse us.

Tera Klutz: It is a fixed amount and I think it is updated every ten years with the census. It is a very complicated formula that the State uses.

Tom Harris: What I wanted to get to is that there is not a correlation to what we are experiencing in terms of claims. If the County is looking for additional consideration in the General Assembly to change that, it might also be that the formula is more up to date. Maybe there is a correlation as to what the County spends in terms of cost versus just straight...

Ken Fries: This has nothing to do with medical.

Darren Vogt: This is just the cost of housing them, right?

Ken Fries: We have to use that money for the jail purposes and we choose to use it for medical because medical is so out of control.

Darren Vogt: That leads me to a thought. Do you have the ability to break down the cost of the prisoners that are not ours' that we are spending money on?

Ken Fries: We don't have to pay for those. Once they are convicted and are a DOC prisoner or a Federal prisoner, those agencies have to pay it.

Darren Vogt: Okay, so the medical cost is passed onto them.

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Ken Fries: Yes.

Roy Buskirk: It is actually a reimbursement thing, right?

Ken Fries: No, we don't pay the bills, it goes straight to them. This is the money that we would use for 2013 and so we are going to be that much shorter when we come to 2013.

Tera Klutz: They will wait until September to use the 2013 amount.

Tom Harris: The \$224,818, is that enough to get the bills paid?

Ken Fries: The \$100,000 that we got last month was not and that is one thing I need to ask the Auditor's Office is to get a check into the Professional Jail Group so that they have their money by Monday. They were overdrawn on their account for August because the \$100,000 was not enough. I am not sure if the \$224,818 will get us through October. I know I will have to come back in October and ask for the same thing.

Tom Harris: Not necessarily the same amount or it could be more.

Ken Fries: It will be more. We have to see how it is trending. When I came last month for the \$400,000, we thought it was going to be \$800,000 by the end of the year. It is a very frustrating cost.

Roy Buskirk: Move for approval in the Misdemeanant Fund 210 of \$224,818.

Bob Armstrong: Second.

Larry Brown: Is there any further discussion? All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.

Ken Fries: I will have Jill give you a call on which claims to pay first.

Tera Klutz: Okay.

Larry Brown: Next on the agenda is a transfer within the General Fund, excuse me.

Roy Buskirk: I just wanted to thank the Auditor and the Deputy Auditor for looking at all of these different funds to see if there are any available to help on these medical costs.

Larry Brown: Now we will move on to IT.

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Ed Steenman: Good morning, Council. Ed Steenman, IT Director. If you recall, last year during the budget process the GIS Support function was moved from the Department of Planning Services to IT. In preparation of the documents, the GIS Coordinator's salary was written down in error on those documents to the tune of \$270. To make his salary whole for this year, I am transferring those dollars so that he gets a full paycheck.

Darren Vogt: Move for approval of the transfer from Forms for \$270 to iMAP Systems Coordinator.

Roy Buskirk: Second.

Larry Brown: Is there any further discussion? All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Thank you, Ed. Next we will hear from Circuit Court.

Eric Zimmerman: Good morning, Council. My name is Eric Zimmerman and I am the Director of Court Services for Allen Circuit Court. I am here this morning to request some additional appropriations out of Adult Probation User Fees in order to meet expenses that we will have for the remainder of the year. The bulk of the request is for drug testing. We have seen a significant increase this year in K2 synthetic drug testing. Unfortunately the costs of those tests have been significantly higher than the typical UDS, urine drug screen. It is \$41.50 a test and we have done roughly 400 of them this year that we had not anticipated. I am requesting \$25,000 to complete that. We also started a program called Hope out of Allen Superior Court that requires a significant amount of random testing. Those aren't the same kind of tests but when we are testing for drugs of abuse, we often find that if you test for one type of drug they switch to a drug that they know you are not testing for. That is what also happens with the K2. That is some of our increase. We get them off marijuana and they convert to K2. The remaining \$10,000 is broken down into four categories. The first is Contractual Services. The bulk of that money is being paid to Community Corrections for some forensic testing that is done on our OWI offenders. I can get more specific if I need to but basically our focus has been on assessment, figuring out what these offenders need and getting them into an adequate course instead of waiting until later. The good news is that we have partnered with Community Corrections to get that done. We have a good working relationship with Community Corrections. As some of you that sit on the Community Corrections' Advisory Board know, they are financially strapped as well. We help them cover the cost of that testing because they are doing it on our offenders. We pay them about \$100 a test and they have about \$200 in hard costs in that. Those are increasing as well. Our OWI population is increasing. This year we have seen a lot of felony OWI arrests that we

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manage through our deterrent program. The remaining \$4,000 is for file storage and shredding. We are getting ready to move at the end of the year and we are trying to get rid of some things. We are trying to be more proactive in our utilization of space. The remaining is Translation Services for \$1,000 and that is always an ongoing issue with us. We have two Spanish speaking Probation Officers but our population is growing outside of the Spanish speaking population. The last is \$1,000 to last out the year for gasoline. Our largest increase, over the budgeted amount, is that this is our first full year with two cars. The reason that we have two cars is because we do a lot of field contacts. Field contacts are required by the State of Indiana on high-risk offenders. Just to give you some broad quick numbers, in 2011 we did 250 field contacts on high-risk offenders. In 2012, we have done almost 3,500. Those are required every 90 days. We just weren't meeting that mandate previously. We are really focusing on meeting that mandate and getting our officers out in the field contacting these offenders and seeing that they are doing what they are supposed to be doing.

Darren Vogt: Can you define high-risk?

Eric Zimmerman: The State uses a risk assessment tool. It looks at the offender's present offense and it also looks at their previous criminal history and some of the social demographic.

Darren Vogt: It is a matrix of a lot of different levels.

Eric Zimmerman: They come out high, medium or low. That translates into how often we need to see them.

Darren Vogt: So it is something that is set by the State that we have to manage and pay for.

Tera Klutz: Our whole government is set up that way.

Larry Brown: Tom.

Tom Harris: Eric, we have spoken a little bit about user fees and in this case that is really what is happening. You need funds out of the folks that are in this program and have had to pay some fees. We talked a little bit about the amount and that is \$30.

Eric Zimmerman: It is \$30 a month for a felony offender. We have 3,500 offenders on probation and 100 of them are felons.

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Tom Harris: I want to congratulate Circuit Court in terms of having this expense and using that user fee to be able to pay for it. One of the things that we talked about is \$30 the right number. It was moved up by the State a number of years ago. Should that number be \$35 or \$33 if we continue to see increased cost for people in this program? Should County taxpayers that are struggling to make the house payment or folks trying to put food on the table pay that or should the people in this program pay it? Eric and I spoke a little bit about that. That is something that I would encourage Circuit Court and the court system to continue to look at. You are at the maximum.

Eric Zimmerman: We are charging the maximum and that amount is set by State statute.

Larry Brown: Kevin.

Kevin Howell: I have two things but first of all, particularly for the people out in the southeast, what is K2?

Eric Zimmerman: It is synthetic incense that has been chemically treated to alter your state of mind. I know that there have been a lot of local ordinances to try to outlaw it but the chemists are two steps ahead of the law. From what I understand, you can still buy it. It is something that makes you high if you smoke it and there are also bath salts that are not intended for human consumption but they snort them and sniff them and get some kind of a high from them. We need a detection system to know when they are using so that we can intervene.

Kevin Howell: So you can buy this stuff over the counter?

Eric Zimmerman: Pretty much or over the internet which is probably the largest vehicle for purchasing it.

Kevin Howell: Correct me if I am wrong but it is probably primarily high school people using this or is it young adults?

Eric Zimmerman: I don't have that information in front of me but it seems that age has no real demographic. If I was going to guess, I would say under 25.

Kevin Howell: You mentioned 3,500 field test visits. These are physical visits to these folks. You said that previously it was less than that. What do you think accounts for the dramatic increase?

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Eric Zimmerman: Well, just the ability to do it and focusing our resources on achieving that goal of meeting those contact standards.

Kevin Howell: Okay. Thirdly and the last question, you mentioned Burmese and Latinos and God knows what else we have here in Allen County, is there an increase in their drug use too?

Eric Zimmerman: No, it was for translation. When they come in, we need to be able to communicate with them.

Kevin Howell: Okay, thanks.

Larry Brown: Roy.

Roy Buskirk: Eric, on the \$30 for collection, what percentage pays this?

Eric Zimmerman: We have done quite an extensive study on that and we are consistently collecting about seventy cents on the dollar. The offenders have other things to pay as well. They pay restitution if that is the order of the Court. They pay Court costs and they pay Public Defender fees. When we administer urine tests, we do charge them.

Roy Buskirk: Is that something that the Courts are going to legislate for is the possibility of increasing some of these fees?

Eric Zimmerman: As Councilman Harris and I discussed yesterday, there is quite a bit of discussion at the State level on that. Originally these fees were created in 1982 and the maximum was \$15 a month. In 2004, they doubled that to \$30. There is quite a bit of data and literature that suggests that there is a ceiling on what you can charge offenders and what you can expect back. There is a point of diminishing return. I don't know if \$30 is it. I do think there are some offenders who could probably pay more if we went down to single payer evaluation. I would say that doubling it again would not double your revenue.

Tom Harris: And does the State wait twenty years to decide or does the State wait ten years to say that maybe we take that up five dollars? If we, as a County, have more people going into this program for whatever reason, then those individuals should pay a little more.

Eric Zimmerman: There are two reasons why people go into the program. Number one it is cost effective over putting them into a jail cell. That is part of the evaluation that we are doing upfront. We do see a significant amount of mental health issues at our level. The second thing is when we look at what

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other States are charging their offenders; Indiana was quite the bargain in 2004. We don't want to be so low that Indiana is the preferred place for criminal activity. Certainly we need to stay consistent in not only how we assess offenders and try to reduce recidivism. We also need to make sure that the offenders are carrying their load. I fully believe as an Administrator of the Probation Department that we should first go to the offender and get what they can pay. In other words, they have a little skin in the game. It always helps, a little bit, if they can afford to do it. That is the philosophy of the Circuit Court and why we spend 50% of our overall operating budget out of probation user fees.

Larry Brown: Kevin.

Kevin Howell: What is the age range for the offenders in this program?

Eric Zimmerman: On probation? We have the youngest at 16 who was waived to adult court and the oldest is 78.

Kevin Howell: So primarily it is school-aged kids?

Eric Zimmerman: No, this is 18 and above. This is Adult Probation. Predominately, our demographic is probably 18 to 28.

Tom Harris: I would like to make a motion to approve the appropriation in Adult Probation Fund 230 for \$35,000.

Roy Buskirk: Second.

Larry Brown: Is there any further discussion? All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Thank you, Eric. Next we will hear from the Highway Department.

Bill Hartman: Bill Hartman, Allen County Highway Department.

Kim Yagodinski: Kim Yagodinski, Controller Highway Department.

Bill Hartman: We are here to request an appropriation of \$565,153 that we have received for reimbursement from the Federal government in the right-of-way process for the Gump Road project from Lima Road to Coldwater Road.

Darren Vogt: Bill, can you go through and explain what that is going to do for that road?

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Bill Hartman: We are going to improve the intersection at Lima Road and we are going to build curb and gutter sections through the Town of Huntertown. We have an interlocal agreement with Huntertown on this project and they're paying approximately 33% of the project. Every time we go through a phase, Kim bills them and they pay us back. Part of that will also go back into the CEDIT Fund and we will have to re-appropriate it for the next phase. Right now we are in the right-of-way phase. On the south side of the road, there will be a multi-use trail throughout the project and it will be a curb and gutter section throughout Huntertown. There will be a road and shoulder section through the County portion.

Darren Vogt: The trail is on which side of the road?

Bill Hartman: The south side.

Darren Vogt: And then it is going to be three-lanes?

Bill Hartman: Yes.

Darren Vogt: Have we thought through it further down the road when we get a Hursh Road interchange that will be a major corridor. Is what we are doing now going to be able to handle that traffic?

Bill Hartman: Yes it will. NIRCC studies all of that for us and then they make the recommendations for the 2030 plan based on those projections. That is what the scope of the projects is based on.

Roy Buskirk: I wish we could eliminate this so that the Highway Department didn't have to come before us every time. This Gump Road is where you pay first and then you get your reimbursement and you need to have the reimbursement to pay for the next step. You have engineering and right-of-way buying and construction. Those are the three main phases. I guess there is no way that we can eliminate this.

Bill Hartman: It is new money. When it is reimbursed, it is new money and it has to be appropriated.

Tera Klutz: At budget time, the Highway does give us their best estimate about Federal and State reimbursements and they do appropriate those. Occasionally they will get one that they weren't expecting and they do need to come and request appropriation.

Bill Hartman: We do try to budget ahead.

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Kim Yagodinski: This is also CEDIT money that is primarily controlled by the Commissioners and so we have to ask for their permission also to reuse the money that comes into that fund.

Roy Buskirk: I don't remember seeing a list of the County roads and the scoring. We set up a way to score as far as doing any chip and seal or improvements. I suppose it is in...

Kim Yagodinski: It is in our budget book.

Tera Klutz: It is in the budget book that they gave you in August.

Roy Buskirk: I haven't had time enough to study that.

Kim Yagodinski: I think it starts on page 57.

Roy Buskirk: Thank you.

Darren Vogt: I think it is good for them to come before us to see what projects are going on.

Tom Harris: In terms of the Federal reimbursement amounts, is the ratio changing or staying the same?

Bill Hartman: 80/20.

Tom Harris: So they are holding tight? It has not changed?

Bill Hartman: It has not changed.

Tom Harris: Is there an anticipation that the number is going to change? You have not heard or have you heard?

Bill Hartman: No.

Roy Buskirk: There actually was, a year or two ago, some discussion on that of possibly going to 70/30.

Darren Vogt: Move for approval of appropriation in CEDIT Fund 329 in the amount of \$565,153 for the Gump Road project.

Bob Armstrong: Second.

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Larry Brown: Is there any further discussion? All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next on the agenda is a recap of Personnel Committee action. Tera, are you going to lead the conversation on that?

Tera Klutz: Yes, probably for just about a minute. If everyone wants to turn to the pink tab in their notebook, it has the agenda from the last Personnel Committee meeting. Highlighted in red is the committee approval of all of the items on the agenda. Most of the items are on the Council agenda for approval effective today but there are three salaries that were recommended by the Personnel Committee that won't take effect until 2013. One of them is the Coroner who is going to come up in a little bit to discuss his position. The Clerk of Courts did Phase One of reorganization in her office and she is changing several salaries. One of them is hers but that can't legally change until 2013. The last salary that won't take effect until 2013 is the Chief Deputy Auditor's salary. With that, I think we can invite the Coroner.

Mike Burris: Mike Burris with the Allen County Coroner's Office. During the course of working on the 2013 budget, this is an election year for the Coroner. Currently, Dr. Jon Brandenberger, there is a State statute that sets the Coroner's salary at one-and-a-half times for a licensed physician and one times for an unlicensed physician. The two candidates that are running for Coroner, the Democrat is a Licensed Funeral Director and Dr. Craig Nelson is a Forensic Odontologist and is licensed as a dentist. That raises the question of who gets which pay. There are two different salaries that are set in the County salary ordinance. That brings me here today to try to determine, is a dentist a licensed physician or not? During some work with Jackie, the State makes it the County's decision as to who to pay what salary and what was your justification to make that determination. I put out phone calls to both of the candidates. Norm Knuth did not respond and so I have no background information on him as to what his education is. Dr. Nelson supplied me with his resume.

Larry Brown: Paul.

Paul Moss: The State statute does not specify MD, is that correct?

Darren Vogt: Licensed physician.

Jackie Scheuman: State Board of Accounts says that you define licensed physician.

Larry Brown: I heard some conversation about this issue and the question came up is it a dental education or is it a practicing dentist?

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Mike Burris: He is both. He currently has a practice in Lagrange County. He lives in Allen County but practices in Lagrange County. He has additional training in Forensic Odontology. He is a member of DMORG which is State Mortuary Team if there is a casualty or disaster.

Darren Vogt: Should we be looking more at the definitions than the actual person?

Larry Brown: Oh, yeah.

Darren Vogt: I am not sure but am just asking the question. A licensed physician is what we have to determine and what determines that and not so much the person that may be coming into it. We have to separate ourselves out of it just like we do in the Personnel Committee and just look at the job that they are doing. In this case, it is what the definition of a licensed physician is.

Tom Harris: Is this something that needs to be determined now or should it be determined once the incumbent has been elected?

Darren Vogt: It impacts the budget.

Tera Klutz: It needs to be determined now because you guys are setting the salary ordinance.

Mike Burris: It is a \$15,000 difference in the pay. It is \$15,273 and so it will really affect my budget.

Larry Brown: Why would we not budget according to worst case scenario?

Tera Klutz: It currently is. I think Mike is saying that if you would decide today that you would not determine a licensed dentist is a licensed physician under the Coroner statute. He could then reduce his allocation by \$15,000, which he could use, because he is appealing his allocation. The determination has to be made by Council. This is your budget hearing for the 2013 budget.

Darren Vogt: And we can't adjust an Elected Official's salary afterwards. We should do the worst case scenario. Once we set the salary for the Coroner, it is set.

Larry Brown: No. There is a provision that if they don't have the credentials, Level 2...

Tera Klutz: Level 2, Level 3 and Level 4.

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Larry Brown: There is a different salary for that. We don't worry about that pre-election.

Tera Klutz: No but what will happen is we will write the ordinance and basically we have two salaries written in your ordinance. One is for a licensed physician and one that's not. At one point you guys will have to determine what you think is a licensed physician because that will be what the person gets paid next year.

Roy Buskirk: I think the other reason it needs to be decided is the fact on his budget that he is appealing the budget that he currently was given. If the wages for the Coroner is \$15,000 less, he will not be appealing.

Tera Klutz: That is why he is here today. It is for the 2013 budget but it is outside of the fact that he has an appeal.

Larry Brown: I understand that thought process but I think that circumvents the direction that we have given to trim cost. I understand that reducing salary is a way to do it but that is not making any efficiency changes within the department whatsoever.

Kevin Howell: What do you suggest?

Larry Brown: Paul.

Paul Moss: Did you say you have spoken with Dr. Nelson? I guess my question is haven't we been in a situation similar to this where someone gets into the office and disputes it? Are we going to get into a situation like that? Is it his position that he is a licensed physician?

Mike Burreis: He didn't come out and say that. Throughout the State we have 92 different Coroners ranging from different job classifications. I can't answer as to who pays what but the State's response to us was that it is the County Council's decision to determine what is a licensed physician. If during the course of an audit, they find that the Coroner is being paid as a licensed physician but is not a licensed physician, they will want to know what justification the County Council used to give them that pay. If you have someone who has no medical background and runs for Coroner and gets elected and you pay them as a licensed physician, then why did you pay them that? As opposed to someone who does have some medical background is elected and you pay them as the licensed physician, what justification did you use?

Larry Brown: Kevin.

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Kevin Howell: Shouldn't this be a legal question? Don't we have a County Attorney to give some guidance on this kind of thing?

Tera Klutz: We can ask the County Attorney, if you like. I think to just be the safest you would error on the side of the dentist being a licensed physician.

Larry Brown: I will be so bold as to say that in my opinion, a practicing dentist should receive the same pay as a doctor. I don't want to show favoritism or show prejudice against a civilian that runs for the position and gets elected. That is not my motivation whatsoever. I just feel that a practicing dentist should be considered the same as a physician.

Tom Harris: This issue obviously is coming up throughout the State in various Counties, right? Is this happening in other Counties where they have to make this determination?

Mike Burris: I am sure that it would. Smaller Counties usually do not have physicians running. Funeral Directors, across the board, are probably the highest number of Coroners in the smaller Counties.

Tom Harris: In this field, the practice of dentistry would make sense in the aspect of a Coroner, from a technological standpoint.

Mike Burris: Having Dr. Nelson as the Coroner, there are some specialties that he has such as making the identification off of the dental records is one of those.

Tom Harris: The little that I know in that arena, you hear that dental records are looked at a lot. I guess my thought would be that this would fit into that category.

Mike Burris: He has specialized training that he can do certain things that other people can't.

Larry Brown: Tom, I think it is also important to remember and recognize that most of the smaller communities it is a truly part-time, on-call position. I believe that all of the surrounding communities that border Allen County, it is a part-time position. They pay a certain amount no matter what the qualifications are and they call in professionals on as-needed basis.

Roy Buskirk: One thing that you need to remember that even in this County, the Coroner is not the one you see on television making the determination of death. They hire that out, correct?

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Mike Burris: The autopsies are performed by a forensic pathology team that we have.

Roy Buskirk: Our elected Coroner doesn't do the autopsy.

Bob Armstrong: He signs the death certificate, right?

Mike Burris: He signs the verdict but the death certificates are signed by the staff in the office.

Darren Vogt: Personally I am in a different philosophy than you are on the dentist. I don't know when the statute was written but I look at a licensed physician as being a doctor. Someone who can take care of me medically and not just the inside of my mouth, I am not trying to disrespect that. I don't think that the dentist piece of that was the intent in the legislation. I could be wrong but from my personal opinion, the extra education that he has is great but not related to the licensing of a dentist. He doesn't need that part to do his dentistry. That is a completely separate educational piece that benefits us but it is not a licensure but is a bit of education that he goes through to identify bodies. I struggle with him being a licensed physician.

Paul Moss: But he is licensed. You have to have a license to practice dentistry just like you have to have a license to have a medical practice. From a degree standpoint, he has a doctorate degree in order to get that license. I would also assume that he maintains a DEA license which is similar to an MD, in order to prescribe medications. He can probably admit to hospitals. Personally, it is unfortunate that it is pretty vague and their intent is probably what you meant but I would lean more towards describing him as a licensed physician.

Mike Burris: I don't bring up his qualifications to sway. It is just that there are additional qualifications that you can use in making the determination. You can accept the qualifications as justification as to why or you can discard them and not use them and say that he is still not a licensed physician.

Paul Moss: We still don't know who is going to win either. If he doesn't win and we appropriate the money, what happens?

Tera Klutz: The Funeral Director is not a licensed physician and you guys won't have to worry about that.

Darren Vogt: The salary ordinance would be clearly stated.

Tera Klutz: Both salaries are listed in the ordinance. That is in case one would resign and someone else would come in. Basically it says a licensed

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physician gets paid this much and so we, as the Auditor who administers the salary ordinance, needs to know if you determine that a dentist is a licensed physician. If we get someone else in who happens to be a Veterinarian next year, we might come back and ask you if you consider that a licensed physician.

Darren Vogt: It is almost a situation that we have to look at the credentials of the person because, to your point where you said we could look at the extra stuff to help justify that, I do think that is more beneficial than his dentistry practice. The other stuff is good. To your point that he can prescribe drugs and do those kinds of things, I have put it all together and now I am doing what I don't like to do is look at the person in the position. This may be an actual case where we have to do that on the potential incumbency of the person coming in.

Tera Klutz: I think you are exactly right because if we were to get audited, they would look at your justification which will revolve around the person holding the job.

Darren Vogt: Yes, it does make sense.

Roy Buskirk: I do want to mention, as far as the Personnel Committee, that it passed out but that was only to bring it before the full Council.

Darren Vogt: We didn't discuss much. It was more to get it here for everyone.

Larry Brown: So to be clear, what are we doing? Are we documenting our interpretation of whether or not dentistry is considered medical doctor?

Tom Harris: Or are we passing just this salary ordinance to change the budget or to change the level for the position?

Tera Klutz: Really, you are considering two things today. The first is a determination if you consider Dr. Nelson a licensed physician if he would win in November. If you would like to table that discussion and get his resume, you can make the determination as long as it is made before the end of the year as both salaries are listed in the ordinance. The other determination that you are going to make today is for the 2013 budget. They are reclassifying their Admin Assistant to be an Admin Deputy Coroner plus because he is doing a lot of the investigative work and signing off on reports. That position is going to be in the 2013 salary ordinance. It was approved by the Personnel Committee and just wanted to make you aware. If you would not approve that, we would need to remove that.

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Larry Brown: Let me ask you this. If a motion is made in regard to accepting dentistry license as fitting into the same category as a medical doctor, do we need to be more specific about the points that Paul brought up.

Paul Moss: We are not determining that he is a medical doctor. We are determining that he is a licensed physician. There is a big difference.

Tera Klutz: Right. You are not putting him into the same category as a medical doctor. You are just defining that you consider a licensed dentist to be a licensed physician under the Coroner's statute.

Darren Vogt: I would almost separate that out and not make it so specific. I would rather see it say that this incumbent is a licensed physician. That way we are using all of the criteria and not just the fact that he is dentist but that he has all of this other stuff to help back up Councilman Moss' point of prescribing drugs and those kinds of things. If we can table it until after the election, then we will know and then we can tailor it specifically to the person. It doesn't really affect anything but the appeal process and we can look at the merits of the appeal.

Tom Harris: Just a quick question. The current amount that is in the budget is the lower amount?

Tera Klutz: Higher because there is presently a licensed physician there.

Tom Harris: So if it goes forward, it will be set next year, at the higher amount. That takes care of the budget but not of the definition and that could happen after the election.

Roy Buskirk: I am sorry, Tom, but it doesn't take care of the budget. That is what creates the problem and he is appealing. They are paying at the higher level and so he needs to appeal for \$15,000.

Mike Burris: I am appealing about \$24,000.

Tera Klutz: Is that regardless of their decision?

Mike Burris: No. Depending on the decision or if a decision is made will probably then over the lunch hour, I will crunch my numbers and see what I can come up with. My appeal will change to up the autopsy budget.

Darren Vogt: The appeal will go down then, right?

Mike Burris: Correct.

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Larry Brown: What do you want to do, Council? Table it or do you need a motion?

Darren Vogt: Yes.

Larry Brown: I am not sure how to word it but I will let you figure that.

Roy Buskirk: It is almost that if you are going to motion for approval, you need to list his additional qualifications.

Darren Vogt: Or you could name the person as a qualified licensed physician. Move for approval that if Dr. Nelson is elected as Coroner, he will be considered a licensed physician.

Paul Moss: Second.

Larry Brown: Is that a motion?

Darren Vogt: That was a motion and he seconded it.

Larry Brown: Is there any further discussion?

Tom Harris: That is by virtue of his license as a dentist.

Darren Vogt: All of his criteria that we have heard today.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next, under Personnel Committee matters, we are going to hear from the Clerk and HR.

Tracy Mitchener: Good morning, Tracy Mitchener, Assistant Human Resources Director.

Lisa Borgmann: Lisa Borgmann, Clerk of Courts.

Tracy Mitchener: We have before you the Chief Deputy increase in salary. He is a licensed attorney. We also have a reclassification of RJO Deputy V at OSS 5 being red-circled to Records Deputy IV, OSS 4. We have an RJO Deputy IV at an OSS 4 being red-circled to a Records Deputy III at OSS 3. We are taking Finance Deputies III at OSS 3 and increasing them to Finance Deputy IV at OSS 4. Lisa is looking at her positions and there have been some changes in duties and responsibilities and they have also gotten the Odyssey computer system which has changed some of their responsibilities. Lisa is here to explain any of those positions if you have any questions.

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Larry Brown: Lisa, what is the bottom line?

Lisa Borgmann: The bottom line is that we are lowering nine positions in the Courts Records Division. We are looking at increasing seven in the Finance Division where I have had a significant turnover of 45% in the last year. I just lost another one of my senior people with sixteen years of experience. I have a lot of inequities right now. The bottom line is that we will be netting an increase of about \$3,500 with all of these changes.

Tom Harris: When you have lost those, are they in retirement or are they going to the private sector?

Lisa Borgmann: The one we just lost was to the private sector for a lot more money and bonuses. She was sure to tell my whole staff.

Larry Brown: Are there any questions or further discussion?

Tom Harris: It looks like all of these passed the Personnel Committee.

Tera Klutz: If you guys approve this, I would recommend that when you read it, I think you can read it as the Clerk of Courts reclassification of items one through eight.

Darren Vogt: Move for approval of the Clerk of Courts reclassification of items one through eight.

Roy Buskirk: Second.

Larry Brown: Before we vote, on my electronic copy, there are nine items.

Tracy Mitchener: As Tera mentioned earlier, there is also one for the Clerk that will be increased. That cannot become effective until the first of the year because she is an Elected Official.

Tera Klutz: The eight items on the agenda are requested to be effective today.

Tom Harris: This obviously went through the evaluation process. This is not part of the overall evaluation for the County but was requested by the Clerk.

Tracy Mitchener: Yes.

Tom Harris: What is the change to the Clerk's amount?

Tera Klutz: It is on the sheet with the pink tab.

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Tracy Mitchener: The increase to the Clerk was when in 2009 they re-evaluated all of the positions and the Clerk at the time decided to not take the increase. Lisa is now requesting that increase.

Roy Buskirk: Do you want the dollar amount, Tom?

Tracy Mitchener: It is going from \$67,252 to \$70,462.

Larry Brown: Okay, we have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 6-1 (Armstrong).

Tera Klutz: You guys are going to be voting on the salaries for the 2013 budget at the meeting on October 18th. That is when we set the salary ordinances. This is a budget hearing and so tentative approval or if you would not approve them, we would want to know before that meeting. If you have issues with the Coroner's position, the Clerk of Courts' position or the Chief Deputy Auditor position, you would want to talk about that right now. They are in the 2013 budget along with 1,500 other salaries. The point is that they are just brought up because they are changes.

Darren Vogt: Tera, do you have a mechanism in place to alert us of changes that are done internally?

Tera Klutz: Yep, we always bring those before you. It is usually just a small spreadsheet. We can have that for you at the next meeting.

Darren Vogt: It is only those that you are aware of.

Tera Klutz: Yes and we comb through all of them. Besides the reclassifications that you have done throughout the year, we always incorporate those. Later on in the budget time, we have to discuss a few departments that met their allocation appeal but are being very creative with their salaries. We can talk about that when we start our budget hearings.

Larry Brown: Okay, the next item on our agenda is discussion and perhaps action on a resolution to allow the PERF contribution to be on a pre-tax basis. Tera, would you care to expound upon that?

Tera Klutz: Sure. The good news is that last month we approved a resolution to allow the Magistrates to make their mandatory PERF contribution pre-tax. At that time you said that we should see if we can get this for all employees. We got in touch with Beth Lock who did a lot of digging and found out there was a law that allowed us to do that. Before you this month, we

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have a resolution that will include all employees and allow them to make their mandatory PERF contributions pre-tax.

Roy Buskirk: State and Federal.

Larry Brown: PERF?

Tera Klutz: It is Federal, State and local.

Darren Vogt: It is a good thing for all employees.

Larry Brown: Thank you for the explanation.

Tera Klutz: You should have a copy of the resolution in your packet but you can just read the resolution number and what is listed on the agenda.

Tom Harris: There isn't a savings for the County but there is a savings for the employees.

Tera Klutz: Correct.

Darren Vogt: Move for approval of Resolution 2012-09-20-01 PERF resolution permitting all County employees to make their mandatory PERF contributions on a pre-tax basis.

Bob Armstrong: Second.

Larry Brown: Is there any further discussion?

Tom Harris: Yes. Since there is a savings to the County, what might that be? We aren't going to know that until we know how many are going to take it pre-tax or is that automatic?

Roy Buskirk: It is not a choice.

Tom Harris: So you probably haven't run those numbers.

Roy Buskirk: So the PERF money is eliminated when you start calculating the taxes. The amount that the County is paying on Social Security will be a little bit less, I guess.

Larry Brown: Eight percent of three percent.

Roy Buskirk: Is that the only one?

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Tera Klutz: That is the only one and I didn't think of that when I first asked.

Larry Brown: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Are there any meeting reports or liaison reports?

Tera Klutz: There is an addendum.

Larry Brown: Oh, I forgot about that.

Chris Cloud: Good morning, Council. Chris Cloud, Allen County Commissioners' Office. I appreciate the Auditor's Office helping us to get this on the agenda right away. This gets a little technical for my non-CPA accounting brain. I will try to explain as briefly as I can. Last year we set up Fund 307 to be a depository for internally billed items. Items that get spent out of the General Fund and then are reimbursed from departments back to it. Mainly it was between the Commissioners and Purchasing. It is an internal reimbursement fund.

Tera Klutz: You guys may recall doing that last year.

Chris Cloud: In theory, it will make things easier for us. When it was set up, too much of our money was taken from the General Fund appropriation. Our General Fund appropriation for telephones went from \$500,000 down to \$120,000. The County started off with a \$200,000 balance in Fund 307 and because we spend money out and get money back in, it should handle us from a cash flow perspective. Because too much non-reimbursable General Fund expenses were appropriated into 307 instead of the General Fund, it is spending more appropriation than it has cash to handle.

Tera Klutz: Some of the phone charges are not reimbursed by departments. They only reimburse for long distance and a few other items. As a result, some of the appropriation was not reimbursable. It should have stayed in the General Fund.

Chris Cloud: What we are doing is, you may recall that a couple of years ago we had to swap some CREDIT money with some General Fund money and we have been carrying a PO in the Commissioners' General Fund paying our Economic Development partners. There is about \$235,000 balance of that PO. We need to transfer that money into our County-wide Telephone line. They will do a journal correction entry. Instead of the phone charge being paid from 307, it will be paid from 100. We are down to the last quarter and there is very little Economic Development partner payments left for the year. Usually they are done one-time or quarterly. We know that there is enough

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money in CREDIT to pay whatever outstanding Alliance bill. We need to get that money into the General Fund line so that we can back out 307 charges and it can get back in the black. We don't think that this will be a problem for next year. We have been reducing phone lines through the VOIP process and the money that we budgeted for next year in the General Fund should be enough to carry the County-wide phone costs. Thanks to Tera and her staff, they have been answering a lot of our questions.

Larry Brown: Are there any other questions?

Darren Vogt: Move for approval of transfer within the General Fund from Economic Development Incentive Pool to Countywide Phone Charges in the amount of \$235,929.

Paul Moss: Second.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. I have a procedural question?

Tera Klutz: Yeah.

Larry Brown: Do we need to adjourn this meeting?

Tera Klutz: No you don't.

Darren Vogt: We still need the approval to waive.

Tera Klutz: Why don't you save that until the end of the day? If you do any resolutions later today, they might have needed a second reading. Let's save the approval. We advertised the budget hearings at 8:30.

Roy Buskirk: I thought there was some discussion of possibly not closing the budget hearings at the end of the day.

Tera Klutz: That is true, you can recess.

Roy Buskirk: Why don't we go ahead and close the business section?

Darren Vogt: It doesn't matter, either way.

Roy Buskirk: Can you carry this meeting over multiple days?

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Tera Klutz: You can carry any meeting as long as you need to. You just need to make sure that the first day is advertised and that you don't adjourn it but just recess it.

Larry Brown: Council, we are going to take a seven-minute break.

BREAK.

Larry Brown: Welcome everyone and we will resume our Council meeting and move right into the budget hearings. First on our agenda is hearing from Easter Seals ARC.

William Andreas and Donna Elbrecht came and talked about the gifts they brought from their clients. Donna updated the Council about the Easter Seals ARC and some of the numbers that they had shared in the past. She spoke of the waiting list in Allen County for some of the services. She said that as of September first there are some new Medicaid waivers that the State has introduced. Many of the individuals that have been waiting for services will now be able to get some of the services needed. Last year there were more people waiting for the waiver than there were people getting the waiver in Allen County. There are some new support waivers for individuals to help the families for some caregiving in the home and respite services for the family caregiver. This is a significant improvement for the families that have been waiting for many years to get the waiver for their family member. There is a State program that will bring in additional dollars through the Balancing Incentive Program from the Federal government. Indiana will get almost \$80 million over the next three years to do a rebalancing of classification of individuals technically living in an institution. It would move the clients into the waiver program. Easter Seals ARC's biggest funding source is the same as last year of about 80% from Medicaid. We are trying to fill a void with our young people of 14 to 20 years of age because there is a difficult time of transitioning from school to adulthood. We have partnered with IVY Tech to offer individuals the opportunity to learn to read. The first graduating class had 75 individuals who learned how to read. They thanked the Council for the dollars that they receive. She spoke of all of the funding resources and how they work with other Counties.

Larry Brown: Next we have Park Center.

Paul Wilson, CEO of Park Center, addressed the Council. Park Center is the local community mental health center that serves Allen, Adams and Wells Counties. They serve the most severely ill in the community and they serve the most in need. He spoke of the different programs that they offer and the locations of some of those programs. He shared some of the new services that

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they are providing and the others that they collaborate with. He talked about the seven apartment buildings that some of their clients live in and how it helps them to adapt to living on their own. He talked about the number of employees that Park Center has and the cost of running the operation. He talked about the funding sources and grant opportunities that they have. There are staff members that go into the Jail to assess individuals there and that they work also with Community Corrections and the Kelley House. They are also working with the Burmese and other cultures that are coming into this community because of some of the traumas that they have been through. He spoke of a franchise that they have to help the mentally ill so that they can become employed and remain employed. They have Apple Spice Junction and they employ some of their clients to assist them in the transition into the working world.

Tom Harris asked about ways that the Court systems can control or contain some of the people and get State funding. Paul said there have been some changes in the State funding that have hurt the people that need it the most. They have lost about \$4 million from their budget and are now regrouping and trying to address some of those needs. Park Center is known around the State as the ones who will work the closest with others to make a difference. Judge Avery and Dottie Davis have put together the CIT Program (Crisis Intervention Team) and it is for rigorous training for Police Officers. The intent is to get people with mental illnesses into treatment and not into the criminal justice system. Essentially, people that used to be in State hospitals are now in prisons. The Kelley House, in his opinion, is the best option for this population and is the best program in the country. Getting people into the appropriate setting is actually a public safety matter. Tom asked about the funds from the State and if they would continue to tighten. Paul feels there will be new opportunities with healthcare reform and the State will not be giving more money.

Kevin Howell asked where money would be used if they received more. Paul said he would use it to get help into the primary care offices because that is where people go first. He feels that they have enough money to do better healthcare but it is the system and how it is configured. Out-patient services lose money because there are not enough people to handle the work. Expanding the Catherine Kasper Place at Autumn Woods would be a good move because they are in the midst of many of the people that need mental healthcare.

Roy asked about the construction that was mentioned and Paul said they are trying to move more towards apartment living rather than group home living because apartment living is more towards the norm. They still have about five or six group homes.

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Larry Brown: Next on the agenda is Southwest Fire District.

Ellis McFadden and Larry Owens and they talked about the new ladder truck that they bought. Ellis mentioned the CUM Fund that the Commissioners set up will expire at the end of the year. This CUM Fund was to build another fire station at Lower Huntington Road and Kress Road. General Motors is happy about the ladder truck that they purchased because it will get to the top floor of their facility. This will also be near Vera Bradley. The bids came in higher than expected but they are trying to work within that. They are looking to have the CUM Fund extended and are waiting to hear if that has been approved.

Roy Buskirk asked if the Commissioners are the ones to approve it and Tera Klutz said it used to be but now the Fire Board can approve it. They may look at the Indiana Bond Bank or may put the shell up and make the money go as far as it will. Roy discussed the uniqueness of the fire station in that there are apartments for fire fighters where living there will be part of their compensation for pay. Ellis said there would be eight apartments that can be utilized. There are qualifications that the people would have to meet in order to live in those apartments.

Tom Harris asked if they were part of Aboite Township and Ellis said that they are made up of Pleasant Township, Lafayette Township and the unincorporated portions of Wayne Township.

Darren Vogt asked when they would decide how they are going to finance the fire station and Ellis said that the bid process is in the next several months and he thinks they can work out the details for the balance.

Tera Klutz asked if they had ever thought of entering into an interlocal agreement with the City of Fort Wayne for the overlapping coverage areas. This is to see if the City could do it for less because the residents are in the Fort Wayne area. Ellis didn't feel that they could do it cheaper than the Southwest Fire District. Tera thought that maybe an interlocal agreement would have them covering the residents and then freeing up some time for the Southwest Fire District. Roy asked if the residents were being taxed for the Southwest Fire District and Tera said yes but not for Fort Wayne. They have a lower tax rate because they pay for Southwest.

Larry Brown: Does anyone see any problems with their proposed budget? (No one opposed) There is your answer. Moving right along, we are now fifteen minutes behind. Solid Waste District is next.

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Tony Burrus and Carol Straus submitted the same budget and the Board approved their budget. Larry Brown asked what they see in trending for recycling and Tony sees those opportunities increasing. They are implementing programs to assist in recycling. There are drop-off sites available around the County. Tom Harris asked about receiving grants and they have received them in the past but not many. Tony said they always seek to find funding but there are not many out there. Tom Harris asked about the user fees and Tony said that Solid Waste never wants to be on the tax rolls. We receive the money through tipping fees and need to keep it competitive so that the haulers are not going to other waste facilities. User fees are for E-Waste, Tire Amnesty and Tox-away. Tipping fees can't be constantly increasing because of the other sites in the area and we are maxed at the tipping fees.

Larry Brown: Does anyone see any problems with the budget? (No one opposed) There is your answer. Moving right along, the Airport is next.

Scott Hinderman and Ron Portis represented the Airport Authority. There was some discussion about the air show that was held and what a success it was. Scott presented a hand-out concerning the Airport. There is a plan to redo the parking lot of the Airport. There will be a road built next year that will help the Airport also. The Airport is funded by AIP, property taxes and Airport revenues. Scott went into detail on these items. They had a 40% increase in capital funds of which 90% is through Federal funding. The Airport Authority Board has approved this budget.

Larry Brown: Does anyone see any concerns with the proposed budget? (No one opposed) We are going to take a lunch break. If everyone could be back by 1:00 that would be great but we'll reconvene at 1:15 for sure.

BREAK FOR LUNCH

Larry Brown: We are resuming after the lunch break. We are going to start with budget appeals and the Sheriff's Department.

Sheriff Ken Fries and Jill Werling appeared for the appeal. He spoke of the reasons for the appeal and the appeal letter. There have been 20 Reserve Officers quit in the last year and three more last week. They have been the source to use so that overtime is not used. He spoke about vehicles and the wear and tear on the vehicles. He has gotten a better price for drug testing supplies. He talked about how public safety continues to grow while other departments can continue to shrink. He wants any extra money to be for employees because the County has very good and dedicated employees. He talked about the Commissary account and the uses of that account. Medical

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expenses are still a problem. Food is an increase because of the Jail and Work Release.

Tom Harris noted that something has to be done to raise revenues or reduce cost. Sheriff Fries talked about raising the service fee from \$13 to \$55. It will have to be changed by legislation. He stated that the Legislators have been very difficult about increasing fees. Tom Harris asked about establishing a booking fee when someone comes into the jail. Also, there could be one Booking Officer for the City and then the Sheriff's Department would stop processing the paperwork for offenders brought in by City Police. Another option is for sex offenders to be charged a user fee also. There was discussion about removing the pre-existing conditions from the healthcare for inmates. That will take legislation to do that. Darren Vogt mentioned that he had talked to Senator Wyss and he said that he would be willing to look into it.

Tom Harris asked about using the Commissary Fund for things other than cars such as medical cost. The Sheriff said that they use Commissary for purchasing stab vest for Confinement Officers and other things so that he doesn't have to come to Council. Tom asked about setting the maximum fees for the Commissary. There are no set maximum amounts and they have reached the point of complaints.

Tom Harris also mentioned establishing a medical cost fee for inmates. If an offender gets booked into the jail, there would be a \$25 medical fee. He wanted to know where things were on that process. The Chief Deputy is looking into that.

Roy Buskirk asked if there was some way to check individuals coming into the jail to see if they could qualify for Medicaid. They are already checking to see if the offender has insurance. Once a person is incarcerated, they lose Medicaid coverage.

Larry Brown brought up a list of items for the Sheriff to think about. He asked that the Sheriff takes a look at this and gets back to Council in a week or so.

Roy Buskirk asked Tera Klutz if she had gotten the information on the Police retirement. She reminded Council that she was going before the Merit Board on October 9th to get that information.

Larry Brown asked if there was anything else for the Sheriff. Darren Vogt asked if we should have a set deadline for the Sheriff to get back to Council because of the deadline of budget adoption. Larry suggested September 27th at 8:00 a.m. and all agreed.

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Larry Brown: Next on the agenda is the CCP, Combined Communication Partnership.

Tim Lee spoke about tower leases that were increased. There was an RFI put out for a new phone system and he worked with ten Counties to get the best price. By the end of the month, there will be an RFP going out with potential savings for all involved. The City is allowing Tim to use their Grant Writer to look for additional funding. He spoke about VOIP versus copper wiring for connectivity and the benefits of going to the VOIP. He is meeting with some State Legislators to discuss the fees coming in on 9-1-1 are not adequate.

Darren Vogt asked how much money is in the 9-1-1 Fund. Tera Klutz said that all of the money now goes into the Statewide 9-1-1 Fund and asked Jackie to look it up. The balance is \$3.9 million. Tera said that the annual revenue for this would be about \$2.3 million for CCP.

Tim responded to Roy's concern about the City share and the County share on all of this by saying that it is a combined operation and so there is no more City or County.

Larry Brown asked if there would be any more expenses coming later for the new phone system. Tim assured him that he does not see any and if there would be, he is still looking for funding sources. Larry asked about where this is going to be located. Darren Vogt brought up the budget of all the telephone lines and all of the contractual services and they have been combined into one. Tim has an RFP out and will meet the 24th to determine where it will go and how much it will cost.

Roy Buskirk stated that all of the appeals would be zero. Paul Moss asked why we would be sitting here having these discussions and he hasn't been part of any discussion that said the appeals would be zeroed out. Roy asked where the money would come from and Paul said there were places to get money.

Larry Brown: Next on the agenda is the Coroner.

Mike Burris represented the Coroner's Office. He went line by line on his budget. The staff consists of the Coroner, Dr. Brandenberger, three full-time staff and three part-time staff but the office has to be available 24 hours a day, seven days a week. Autopsy fees and supplies is where he does most of his adjusting. He asked if the autopsy fees could be set up so that as money is deposited, he could ask for that money and thus his appeal would be eliminated. He charges out about \$20,000 a year and gets reimbursed for those charges.

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Darren Vogt suggested going from seven cell phones to three that would be used as on-call cell phones. Tera Klutz said that the employees could use their own phones and turn in that expense at a pro-rated amount and be reimbursed.

Larry Brown asked if there anything else he wanted to talk about. Mike said that he went back and figured that he could strike \$2,500 for overtime from his budget. He is still appealing the same number but is now raising the autopsy fee by the amount that he cut overtime.

BREAK

Larry Brown: We are back. Next is the Prosecutor.

Karen Richards came and withdrew her appeal with the understanding that if she needed money later on in the year, Council would please be agreeable to her request.

Larry Brown: Next is Wayne Township Assessor.

Bev Zuber chose to withdraw her appeal and work with the County Assessor to cover the amount that she had originally appealed.

Larry Brown: Next on the agenda is the Building Department.

Dave Fuller talked about the number of accidents and the insurance premium increases after having two at-fault accidents.

Larry Brown asked Chris Cloud to explain the department allocation per vehicle? Chris said that he could talk about that or wait until they get to the Commissioners' appeal.

Dave Fuller said that the only place he can cut is in staff. There is a vacant position right now. He talked about the numbers of inspections that his staff does. Commercial inspections are on an incline. Response times are on an increase.

Roy Buskirk asked if Dave could move Commercial Inspectors back and forth to help with Residential inspection. Dave said that they have been doing that in trying to keep up. Dave talked about one of the appeal items being in capital. It is for cars and he didn't ask for any last year because he felt they could do without for one year. Four of the vehicles have between 113,000 and 150,000 miles on them. He needs five cars but might be able to get by with four depending on what happens over the next few months. Roy Buskirk

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talked about the vehicles that were purchased a couple of years ago and wanted to know how they were doing. Dave said that in 2008 they bought five hybrid Ford Escapes and they have run without problems. Darren Vogt asked how they compared to other vehicles in the fleet and Dave said they are no worse or no better than any of the others. He said he is not asking for the capital money for the cars now. He asked that the money be held available in Council's capital line item for him to come back for maybe next spring. The last item on his appeal is the IVR, interactive voice recording, for when the contractors call in for inspections that will download onto the Inspectors' computers so that they know what jobs need to be done.

Larry Brown: Thank you, Dave. Next are the Commissioners.

Therese Brown, Nelson Peters and Chris Cloud talked about how they requested \$100,000 increase because the insurance premiums went up. It was denied by Council with the understanding that the increase would be taken from additional cuts to departments. There was discussion that maybe there was a better way to allocate the insurance. They met with the Risk Manager and came up with the money that was paid out for damage to other peoples' vehicles. They applied the percentages to the deductible increase and came up with a number that seemed to be a more fair way to allocate the premium increase. Our appeal is to put more money, per vehicle, into the departments' budget.

Darren Vogt felt that the easiest way was to just divide it out by vehicle and charge that to the departments.

Nelson Peters felt that the ratio approach might help with some behavior modification. There are some departments that have complied with County policies and some that haven't. We thought that if you hit some of those that might be the bigger offenders, they may come to the table and play ball in a way that could help reduce some of these premiums.

Darren Vogt said that we need to make sure that we are doing the things that the insurance company recommends that we do to help lower the rates. Larry Brown said that with the Commissioners' permission, maybe Chris could look into that and get back to us.

There was talk about attorneys and all of the options of having them. There are two sets of dollar amounts that we have. One is for the attorney to "be on retainer" and the other is for court cases which is \$150 an hour. Most of those are tort claims filed by the inmates at the jail. Darren Vogt wanted to know when billing is done over and above the retainer. He feels that it needs to be spelled out and clear to Council and all of the attorneys.

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Larry Brown asked about County employee health insurance updates. He asked if there is something that they could bring on September 27th to the meeting and Nelson Peters said that it depends on how quickly the rest of the numbers come in that they are after. He said they will try to wrap that up by Thursday but wasn't sure that it could happen that soon. He said they are trying to move quickly because of open enrollment time.

Larry Brown expressed the desire to have the County fiscally represented on the CCP Board. He stated that they don't need to be voting members but they want to participate. Nelson Peters said that the meetings are open to the public so he is not sure what Council is asking for. Darren Vogt said that there is no discussion of how things are going to be paid for until after the fact. Therese Brown asked what the fiscal body would be voting on since the CCP Board was created to handle day-to-day operations. Nelson said they would make every effort to keep the Council in the loop.

Larry Brown: Are there any other topics we want to discuss since the Commissioners are here? If anything is available on the insurance, we would like to hear from you first on Thursday. Moving on, Bernie Beier is next.

Bernie Beier came to discuss Homeland Security's appeal. He feels that the source of the appeal is due to the adjustment to his operating expenses for 2012. He wants to re-establish the 2012 starting point and then his budget will reflect the 2.3% reduction that was suggested.

Larry Brown: Are there any questions for Bernie? Sorry for the wait. Moving on, Jeff Baxter.

Jeff Baxter said that the Park Board understands the dollars and cents woes. Larry Brown asked if he had any data that related park attendance and activity to juvenile crime. Jeff doesn't have it with him but he is sure that he could get it. We try to get the kids before they wind up with the juvenile center and the Prosecutor. Darren Vogt said that his problems could probably be solved if he would use the funds that are available. Jeff said that the fund they are talking about is like the Rainy Day Fund for the Parks.

Larry Brown: Next we will talk to the Highway Department.

Tera Klutz: I put them on here just in case you had questions. They did not ask to be put on here.

Larry Brown: Does anyone have any questions for Highway. Thank you for coming.

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Roy Buskirk asked about the food cost are going at the Allen County Juvenile Center. Chandra Reichert said they are working with Bob Bolenbaugh in Purchasing and there will be an RFP going out for this.

Darren Vogt sent around a letter for the Sheriff with the reductions that we are talking about. I feel that it should be given to him.

Larry Brown: The letter should have a signature of Allen County Council.

Darren Vogt: Approval to waive the reading on any matter approved today for which it may be deemed necessary for the County Council meeting of September 20, 2012.

Tom Harris: Second.

Larry Brown: All in favor please signify by saying aye. The motion passes 7-0.

The meeting was recessed until 8:00 a.m. on Thursday, September 27, 2012.

SEPTEMBER 27, 2012

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

Larry Brown: We are continuing our meeting and discussion on the budget. First on the agenda is to hear from the Sheriff.

Sheriff Ken Fries and Jill Werling came to the table with their proposed budget cuts. They came up with \$791,000 to cut. \$400,000 was from the cars. They went down the each sheet step by step. There was discussion about the cost of serving papers. Right now it is \$13 for the first trip and nothing for anything after that. The Sheriff would like to see that go up to \$55. There was talk about medical cost and pre-existing conditions.

Larry Brown: That has been on the Council's legislative agenda for two or three years. We need to do a better job of partnering with the Sheriff Association and the Indiana Council Association and work harder at getting the legislation changed. In conclusion, it looks to me like your appeal drops to \$827,007. I know that you have burnt the midnight oil for the last six or seven days and we appreciate that. Much of this is mandated by the property tax cap that was overwhelmingly voted in the last election cycle. That is a clear signal to local government that we need to reduce cost, raise user fees or a combination of the two.

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Tera Klutz: Did you add in the new revenue that we would get in from those others?

Larry Brown: I did not.

Tera Klutz: Okay. If we would subtract the \$20,000 for the sex registry fee, which is the fee that can happen the soonest because it doesn't require anything but an ordinance. The five dollar fee is still in the works for Probation?

Ken Fries: Yes. They are going to try to push that through again this year. Senator Steele is the one that had it in his committee.

Larry Brown: Tera, I also did not take into account the \$132,242.

Tom Harris: That is not going to happen. We discussed that yesterday, right? Nick and I talked about that. We weren't sure of that was a reduction or if it would have to stay. I think that is the number that would have to stay.

Tera Klutz: I believe it is up to you but right now the liability insurance expense happens to have been allocated out to the departments and taken out of the Commissioners' budget. If you wanted to take it out of the departments' budgets, you would have to figure out how to fund it.

Tom Harris: It is going to show up anywhere that we put it.

Tera Klutz: This month, we got new income tax certification from the DLGF. That means that in May we are estimating what we are going to get for 2013 but this month we got a certified distribution report that said for CEDIT we are going to get about \$238,000 more than what we had budgeted for. There was a law written in 2011 that says "at any time a County, by ordinance or resolution can transfer money from the CEDIT Fund to the General Fund." The CEDIT Fund budget is on page 155 in your budget book. They have budgeted up to the \$6.1 million of estimated revenue for next year. Now that we have our new certification which is \$6.3 million, there is some opportunity available if you still don't want to use the Rainy Day Fund. There is \$238,000 there and also County Option Income Tax which is revenue that we use to generally operate and there is an additional \$800,000. To put that into perspective, it is not a large percentage increase. We try to be conservative so that we are not going back, at this time...

Tom Harris: So what you are saying is that we have an additional \$1 million in revenue coming in.

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Tera Klutz: Yes, definitely \$800,000 and then if you choose to use the CEDIT Fund of \$238,000.

Darren Vogt: I am sure that the Commissioners would argue for the CEDIT.

Tera Klutz: I would say that if you look at the CEDIT budget, it is already higher. They were already budgeting higher than they were the year before. I would say that with the higher budget in Economic Development than we had last year, it is something that is not currently budgeted and if you don't budget it then it will be soon.

Larry Brown: The \$238,000 is certified.

Tera Klutz: Yeah.

Larry Brown: What should or could the timing be of that resolution?

Tera Klutz: You would let us know if you wanted to do that now and that way no one can come and appropriate it because you would already have it earmarked. We would then transfer it in January.

Larry Brown: Do I hear a motion?

Darren Vogt: You would like a motion to move this \$238,000 from CEDIT to the General Fund?

Larry Brown: Absolutely.

Darren Vogt: I guess a little more discussion on it. If the Commissioners are going to come up here, they work hard to create a budget and create Economic Development and I would at least like to hear from them. I am not opposed to making a motion but I would like to hear from them. We have traditionally allowed them the opportunity to manage that fund and I would like to hear from them before we make that motion.

Bob Armstrong: But the \$238,000, the motion is to put the money in the General Fund. We can use it anywhere.

Darren Vogt: Correct.

Bob Armstrong: If you transfer the \$238,000 into General and we give the Sheriff's Department half of it and we decide to give the Commissioners half of it, it is up to us to break that back down out of County General.

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Tera Klutz: I don't know if you had the chance to turn to the CEDIT Fund budget on page 155 but the Commissioners always set aside money for Economic Development Incentive. That is because most companies, when they come, not only want an abatement but also want a cash payment. It is the environment that we are living in. They have increased their budget by 120% in that category. They budgeted up to the estimated revenue. I think that was the plug.

Darren Vogt: I think they have to.

Tera Klutz: There is the CEDIT Plan but this is not the CEDIT Plan. There is a separate three-year plan that they have to show that they have accounted for a certain percentage of revenue.

Tom Harris: Sheriff, I have had a couple of opportunities to spend some time with the Sheriff's staff and I want to say thank you for your hard work and the staff's hard work in trying to reduce and identify any kind of cost savings that are existing. For clarification going into this discussion, you were looking for a \$1.6 million increase. What Council is challenged with is reduced revenues but this morning that has changed a little bit. As such, we went back to the departments and said that we can't have all of these increases. Nearly all of the departments were able to cut their existing budgets and reduce those by 2.3%. Sheriff, you are having costs that are out of your control. The cuts that are making the news and that people are hearing about are actually a reduction of your increase rather than a reduction of last year's budget. A colleague mentioned that it is Congressional math when you suggest that there is a cut over an increase, it is not really a cut because we just aren't giving you as much as you requested. That said, we have been exploring those cost cuts and you have diligently been doing that. We are also trying to apply which way to increase those user fees. This is not about this year's budget but the next three years. The costs that are associated with the Jail and inmates keep coming at us. The General Assembly doesn't modify some of the gaps for what you are allowed to charge the inmates for fees, those costs keep coming at us and we are going to deal with this every year. One of the suggestions that we discussed with the Sheriff was the possibility of having an outside analyst or someone coming in to strategize and look at those continued costs and increases and figure out ways that we can address those over the next two or three years. Sheriff, we spoke yesterday that you were receptive to that.

Ken Fries: I have no issue with doing that but I can't pay for it.

Sheriff Fries talked about the dedication of the employees and how he has cut six positions over the years and that he has reduced the number of cars that

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they have. He talked about maybe losing employees because of the cost of taking care of inmates.

Darren Vogt: I want to stop right here. That is a statement that I am really frustrated hearing. This Council has said that we will fund the medical cost of the Jail. Don't say that you are going to lose employees.

Sheriff Fries responded that it is because of the budget.

Darren Vogt: This Council has not said that we are going to lose employees over funding that medical expense.

Larry Brown: Sheriff, is there anything else you would like to present?

Tera Klutz: I know I am not a Council member but would you be open to possibly a hiring freeze like if people leave? Possibly consider those positions, one at a time, only because I realize that people are the biggest asset. Letting them go is one of the hardest things that we do. Those are the biggest cost at more than 90% of our budgets. I wondered what you thought about something like that.

Sheriff Fries talked about when people moved downtown, that was how they came up with losing people. When someone leaves, he looks to see if that position needs to be filled. He said that he is so short on Confinement Officers and Nurses are the same thing. He said they will look at reducing the number of Officers in the Civil Division and have civilians serve civil papers. I have to talk to the Judges about that. There are other issues that you get into.

Roy Buskirk: Sheriff, I know that there have been a lot of remarks in the press about this. The fact that Confinement Officers and Sworn Officers was one thing that this Council said was definitely off the table. You suggested eliminating one Nurse's position that is vacant. The question I have is concerning the Bailiffs in the Courts. Currently they are Sworn Officers. I think there would be cost savings if those were changed to civilians. It was actually suggested by a retired Sworn Officer.

The Sheriff said that it is a possibility but the issue is should they be armed in the Courts or not? If they are not Police Officers, do you want them to be armed? In order to do that, he would have to make them a Special Deputy. That is something that he would need to talk to the Judges about. Sheriff Fries talked about how he put all Officers in uniform and at first the Judges didn't like it but they have come around because the demeanor in the

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Courtroom was different because of the presence of the uniform. He will talk to the Judges about it.

Larry Brown: Will you please take that as a task and report back to us?

Ken Fries: Yes, I have no problem with that.

Tom Harris: With the reduction that you brought in this morning, it is approximately an \$800,000 increase and that represents about a three percent increase. We talked a little about the Commissary account. That is an account, a user fee from the inmates that they pay into and if we stopped at this point, that money would still be available for you to use. That would represent how much, annually?

The Sheriff said that the economy affects it. When the economy has a downturn, it affects the amount coming in. There would probably be about \$400,000 a year that would be able to be used. Tom Harris said that he is using the Commissary account by making the bad guys pay for the vehicles. Tom asked if there is a cap to the Commissary account and the Sheriff said no.

Darren asked about what the Sheriff does to budget that account? He asked if he set aside a budget similar to the rest of the budget. The Sheriff said that there were things before that they had to pay out of it like vests. He said it is difficult to budget because they can't say for sure how much is going to be in that account at any given time. There has to be between \$80,000 and \$100,000 for operating expenses. The Sheriff talked about some of the items that they purchase with Commissary money.

Paul Moss: I realize that I have been deemed to not be able to be objective about this but I still have a couple of questions for you. The education bonus and the clothing allowance, you are cutting those completely and they are going away?

Sheriff Fries said that only the education bonus is going away and the clothing allowance is getting cut in about half. Tera Klutz asked when the education bonus start and he said it was right after he took office. Roy Buskirk asked if the clothing allowance was \$1,500 per Sworn Officer and if it was used for replacing uniforms to which the Sheriff said yes. They get the clothing allowance twice a year. Paul Moss asked if it was safe to assume that the clothing cost that much and the Sheriff said yes. Larry Brown asked what a shirt and a pair of pants cost and he said it is \$2,000 for a new officer which consists of two shirts, two pairs of pants, jacket, gun belt and shoes.

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Tom Harris: To discuss the Bob Bolenbaugh and Purchasing, we have not figured in a cost savings but one of the challenges is that all of the different vendors and suppliers for your department have we gone back and negotiated new prices? Purchasing was providing some assistance and I just wanted to discuss that for just a minute.

Sheriff said that Bob didn't think we would see much and we negotiate all the time anyhow. The food vendor that we have has not had an increase since they have been here but that is because we are the only customer that they have in Indiana and they are trying to get more business in Indiana and so they lose money with us. Tom talked about the price of gas and that there could be some savings there. Tom asked if there had been any plans if the cost of gasoline spikes in the next few months. He reminded the Council that if he could get it for \$2.99 instead of \$3.13, it is much easier to budget if we know what the price is going to be. Tom said the Purchasing Department needs to get more strategic in negotiating costs for next year and the next two years.

Darren Vogt: From 2011 to 2012, you dropped your budget by \$100,000. What was your process at that point in time, to save money on gas?

Sheriff Fries said it is what Purchasing had told the Comptroller about how to figure the gas price and what we would need for it. Darren said that there were no cost savings but just a number based on the math. The Sheriff talked about the cars that they have now being more fuel efficient than the ones in the past. Roy Buskirk asked why there hasn't been a proportionate reduction in the gas line item. The Sheriff said it is because the price of gas has gone up. Darren said that the only way to reduce gas is to reduce cars and the number of miles or reduce the cost of the gas. Darren challenged to Sheriff to reduce the number of miles driven. Darren talked about the cars that are left running and he gets calls on a regular basis about the Officers that leave their car running while they are on part-time jobs. He understands why they do it. The Sheriff said it is against the policy so people need to let him know. He said that he had one that he made park his car for thirty days.

Larry Brown: Are there any other questions for the Sheriff? Paul.

Paul Moss: The remaining, how much of that do you have budgeted for inmate healthcare?

The Sheriff said \$1.2 million which is an increase of \$400,000 this year.

Paul Moss: Darren, you said earlier that if it goes beyond that, he is not to worry about that and we will figure out a different way to handle it.

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Darren Vogt: The \$400,000 increase for this year should be taken on by us, somewhere. We originally asked the Sheriff to cut \$400,000 from his budget. The original was \$20.8 million and he came back with \$22.4 million. My thought is that the \$400,000 would put him back flat at the 2012 amount.

Tera Klutz: I don't think that math works out right.

Darren Vogt: We asked him to cut \$397,670.

Tera Klutz: Right and instead of that, he came and asked for \$1.6 more.

Darren Vogt: I am ignoring that altogether. My point is that the \$400,000, he would have the same budget as what he had in 2012. There would not be a cut...

Tera Klutz: That is the math that doesn't make sense. Even if he is still asking for \$800,000, take off \$400,000 because you said you shouldn't have to try to find that in your budget, it is still a \$400,000 increase. It can't be the same as the 2012 budget.

Darren Vogt: Correct. I will agree. We originally asked him to cut \$400,000.

Tera Klutz: Originally, yes, but we are kind of beyond that now. If you want to say that he doesn't have to fund the \$400,000, we can find somewhere else to pay for that and then his appeal is technically only \$400,000.

Larry Brown: Council, are there any more questions for the Sheriff? Thank you. Next on our agenda is to hear from the Commissioners.

Tera Klutz: I thought the email said that they would not be available.

Larry Brown: Chris, I asked you to come to the table because the Commissioners are on the agenda. Is there anything that you can report at this time?

Chris Cloud said that there was a meeting yesterday with the full Board of Commissioners to update them on the insurance. He said it is promising and he feels that there will be savings for the County. He said it would be percentage savings, not dollar amount savings. Larry asked if he is able to commit to a timeline when the Council will have the information. Chris said the Commissioners are meeting today and that maybe early next week they should be able to get back to Council with something definitive.

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Paul Moss: You should be able to identify not just on a percentage basis but also on a dollar basis if they based on a year's worth of claims. I think it will be difficult for us to come to some final decisions until we know what that number is.

Chris said that it could be a bad claims year next year and any potential savings might not happen. Paul agreed that it is a projected expense but he thinks it is significant. Darren wants the Commissioners to look at the taxpayer and look at the significance of savings and then they can work with us to make that decision. We are in the eleventh hour, not just from the budget aspect but from an enrollment standpoint. Chris said that is the bigger timeline because open enrollment starts October 10th. Larry Brown said that a smart negotiator will negotiate enrollment period as a part of that. Roy Buskirk said that he mentioned to a Commissioner about using the Jail as a negotiating tool also as far as a single provider. Paul didn't feel that either of the providers that are participating in this would be terribly interested in that option. This is commercial self-funded for a group and that complicates it. Chris said that they lost a couple of doctors because they didn't want to deal with the tort claims anymore. Larry said this needs to be brought up because it is an increase in revenue and Paul said no, it is a decrease in expense. Paul feels that the employees insurance and the Jail healthcare should be kept separately.

Tera Klutz: Someone brought up auditing the Jail claims and that is an excellent idea. Medical bills are hard to decipher sometimes. Making sure that the Jail is paying the appropriate medical cost is a good point but I concur that the service of providing the medical care for inmates should not be included in our employee healthcare benefits.

Larry Brown: Is there anything else, Chris?

Chris asked about the \$238,000 CEDIT and if they needed to resubmit a new CEDIT budget. Tera told him no, it is nothing permanent. We got the actual certification and instead of the \$6.1 million that we estimated, it is \$6.3 million. The Commissioners increased their Economic Incentive P.O. by more than 120% to get up to budgeting the \$6.1 million.

Larry Brown: Okay, that completes our agenda. Overall discussion, Tom.

Tom Harris: Tera, in layman's terms, help us understand why the CEDIT number and the COIT number have increased. Why would that increase over what we had anticipated?

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Tera Klutz: By statute, the State Budget Agency is required to publish an amount of revenue that they have collected, County-wide, by August first. That information is then given to the DLGF then allocated by tax unit. We just got that report this month. It tells us how much Allen County, Fort Wayne and all the Townships are going to get. For planning purposes, Allen County starts their budget process in May. As the Auditor, we estimate how much we think we will get next year so that we can begin our budget process.

Tom Harris: Why would that number be going up? Is the State of Indiana collecting more in order to distribute more?

Tera Klutz: I am on this working group that is looking at the process of processing income tax and accounting for County Local Income Taxes and I can't necessarily say that they are collecting more. Right now, I am still leaning on that they are either showing more collected or that they are actually collecting more. We are in the stage of determining how they are actually arriving at those numbers. There was \$320 million that was not reported and distributed correctly and so we are still investigating how that process works.

Tom Harris: In my head, I am trying to assess if we have turned somewhat and are starting to see revenues increase. I think it is too early to correlate those two.

Tera Klutz: I think it is too early to do that but I am confident that we will receive the certified distribution that they gave us for 2013 and I am confident that we will receive an increase over that in 2014. That doesn't have anything to do with income taxes being paid by taxpayers. I think it has more to do with the process that we are going through to make sure that local governments get exactly what has been collected for them.

Darren Vogt: That increase could be offset by a decrease in revenues.

Tera Klutz: For the State because the State may be recognizing more revenue and that should have gone to local units of government.

Tom Harris: Another question that I have, in terms of appeals. We had a number of appeals that we had left in the last meeting that we were either going to check or assess if they still needed to ask for that appeal. I didn't know if the Auditor had received any updates.

Tera Klutz: I have not heard anything since our meeting on Thursday. I am not sure that is how I left the meeting.

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Larry Brown: I didn't either.

Tom Harris: He was going to check with the Park Board to see if the gate fees could pick up his appeal. We had asked him to go back to the Board and ask them.

Tera Klutz: We did ask that.

Larry Brown: My summary conclusion to that was that we are denying his appeal. I think, at this time, it is appropriate to invite anybody from the audience that represents the remaining six departments with appeal. I see a representative from the Coroner's Office. Is there anything additional that you want to tell us?

Mike Burris said that he looked at the appealed budget and looked strictly at the Autopsy line. The appeal budget is about \$10,000 more than what it was last year. The money that we are charging outside Counties is about \$20,000 in expected income. It appears that they will go over that by about \$4,000. He is not sure that he can safely increase what is going to be brought in which would therefore reduce the appeal. Darren asked how much is charged to outside Counties. Mike said it was \$1,100. Darren wanted to know if that was a statutory amount and Mike said it is not statutory but is a flat fee. Darren wanted to know if that is the right amount and if they are capturing the true cost of doing autopsies.

Tera Klutz: In 2010, you spent \$228,000 and in 2011 you spent \$228,000. I am not sure what you are tracking this year but you have a budget for \$252,000 for 2013.

Mike said it was budgeted for \$240,000 for 2012 and right now he has about \$40,000 left in the Autopsy Fund. Tera wanted to know if he wanted to make sure that he had enough if he had another year like this year or does he think this year is the new trend. She wanted to know if it is the number that is being performed or the cost of doing the autopsies. Mike said it is the number that they are performing. Paul Moss asked if insurance covered an autopsy. Mike said he didn't believe so because the insurance policy would probably cancel upon death. Roy brought up the Coroner discussion about being a licensed physician.

Larry Brown: At the last meeting, we voted and it passed that we would pay the salary of a physician to a dentist.

Darren Vogt: Correct.

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Larry Brown: If we are going to change that, it takes a vote again.

Tom Harris: As a recap, the appeal of \$24,506, where were you at on that?

Mike feels that he can safely raise the amount of expected income which would then reduce the amount of the appeal. The amount would be about \$4,000. He wants to ensure that there are funds available for the autopsies for next year.

Larry Brown: So we are saying that the appeal is \$20,506?

Mike said yes, I think if we raised what we expect to bring in. Bob Armstrong said that would be hard to do. Mike said it is hard to reduce the autopsy fees. Darren told him that we have no money in the General Fund and Mike told him that he has about \$4,000 in outstanding bills for other County autopsies that have not come in yet. Roy asked when the \$1,100 fee was set and Mike said it was before he came into the Coroner's Office. Kevin Howell brought up the license physician issue and asked if other Counties were dealing with this too. Mike told him yes.

Larry Brown: Are there any other questions for the Coroner's Office? Thank you very much. Are there any other departments that would like to come forward at this time? Mr. Lee.

Tim Lee came forward and said that they had already cut \$200,000 out of the budget from the last year's budget to the budget going forward. He talked about the phone provider contract being cut by \$38,000. He talked about his commitment to audit all of the phone lines and is looking for grants. He said he cannot find any more places to cut. Darren said that his appeal is really for the phone system. Larry brought up the towers and how some of them are going to drop off and some will come on. Roy wanted to know if anyone was paying the County for renting space on the towers and Tim told him that it was only about \$6,000.

Tom Harris: So the \$591,196 remains as your appeal.

Tim Lee: Yes and the majority of that is the phone project.

Roy asked about the move of 9-1-1. Tim said that it is unknown what the build-out cost would be but as soon as he has those numbers, he will let Council know. Darren had said that maybe we would have to look at the Statewide 9-1-1 Fund for that.

Larry Brown: So in this \$591,196, there is no money for build-out cost.

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Roy Buskirk: Have you heard anything about the lease price?

Tim Lee said that the lease price will come in Friday with the RFP's. He feels that this will take a week to review the RFP's. Roy said that we have rent and moving in the future and telephones. The County's share of the phones would be about \$100,000. Tim said that the County share would be \$591,196. Tim is doing a formal RFP for the split and that would be next month. Once he knows that, he will let Council know. Larry said that it is a 50/50 split right now and Roy said he thought there was some question about that. The CCP is going to have to work that out. Tim talked about the Grant Writer and that he has a meeting with her on Friday. Tom Harris asked if there was any idea of the projection of the 9-1-1 fees. Tim told him that the hold harmless number is the only one he knows right now.

Larry Brown: The Hold Harmless legislation, we are going to continue to be a donor County to the overall distribution. There are Counties that have been guaranteed that they will not receive any less. Until this goes through a time process on counting and evaluation of distribution, we know that we are not going to receive any less but we don't know when or if we are going to receive an increase. We are going to help supplement the smaller Counties. My point is, for 2013, there is nothing cloudy about it in my mind. It is what it is.

Darren Vogt: I am not sure why we are considering this out of our General Fund. We have a \$3.9 million balance in the wireless fund that is now in our control. These kinds of expenses are the perfect example of where that money should come from. This is a one-time expense and not an ongoing expense.

Roy Buskirk: The \$591,196 can be eliminated from the General Fund request and that it be from the 9-1-1 Fund. We will have to make appropriations out of that when you have the statements. I don't know if you want that as a motion.

Larry Brown: Not yet. Another way to approach that is, the balance in the 9-1-1 account has been used to fund the under-budget from City and County. I think it was roughly \$400,000. Because of the things that you have written down, Roy, I am concerned that we are going to use up the fund balance for all of that. What I was prepared to suggest is that if we decide to fund the County portion of the new phone system, we set aside within Council's budget and then address it when we know the exact cost. We have done that with other things, in the past few years.

Roy Buskirk: But we don't have a Council budget.

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Larry Brown: It would have to come out of Rainy Day, now or later. Specifically for Tim, is there anything else? Thank you, Tim. The one thing I would like to hear us talk about is a hiring freeze. What I propose with that is effective immediately; any replacements have to go before our Personnel Committee for justification. Beyond that it is open for discussion.

Tom Harris: Is that for 2012 or for 2013? Is there an end date?

Larry Brown: Until we change it. We are going to have budget problems in 2014 and probably 2015.

Roy Buskirk: I don't think we can do that here. I think it has to be advertised and voted on in a regular Council meeting.

Tera Klutz: No, it doesn't. I would think you would want a mechanism set up. There are probably people that have told someone that they are going to start tomorrow.

Darren Vogt: We need to set a start date.

Tera Klutz: I think we need to set some procedures and policies and how often you are going to meet. This is all great discussion but...

Larry Brown: Those persons would already be hired. I am talking about new hires or replacement hires.

Tera Klutz: I think we need help defining that because technically you are not a new hire until the day you start.

Paul Moss: It is really a policy change for the Personnel Committee. I assume that there are positions posted currently that haven't been filled. You could say from a certain point going forward that they have to come in front of Personnel Committee. You might find yourself not wanting to be on Personnel Committee for very long.

Darren Vogt: The question for me would be more along the lines of do we want to set certain parameters. Right now the Sheriff has two Confinement Officers. We increased the pay of the Confinement Officers about three years ago so that he could have less turnover in that position. My opinion is that we take it back to the Personnel Committee and let them hash through some of the thought processes and then bring it back to Council afterwards. We can have time to work with HR and flush out some of those things. I think it is a good idea because we have to make sure that we are reining in spending.

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Roy Buskirk: You brought up an interesting comment there. I was shocked and I have the history of increases here in front of me and going back to 1997, Sworn Officers got a 10% increase. In 2008 is probably the one that you are referring to, the Dispatchers received a 15% increase and Sworn Officers received 9.5%. Nothing is said about Confinement Officers.

Darren Vogt: Confinement Officers are not Sworn Officers.

Jackie Scheuman: In the County-wide reclassification, their class was bumped up.

Roy Buskirk: Oh, okay.

Tera Klutz: I think the big adjustments are from market.

Tom Harris: In terms of hiring freeze instead of policy, we may want to find a different way of saying that. We are not necessarily saying that there is a hiring freeze and they can't hire. We are saying that if they have an opening, you have to bring it to the Personnel Committee for further consideration. We are not saying that no one gets hired.

Darren Vogt: That is why I said that it needs to be all flushed out in that committee.

Tom Harris: While I don't disagree with continuing to scrutinize and limit the growth of government, somewhere we need to get an assessment of are we in a crisis mode or is this the new reality. If we are in a new reality, then maybe a new policy and when we begin reining in cost and exponential growth in one or two departments, our reality is a tighter and smaller government but we are not in a crisis mode. We need to articulate that in the coming months. It is easy to say that we are in a crisis mode always. I would like to see us move beyond that.

Darren Vogt: Tera, what would it take to take that comment and say that this is what it takes to increase our property tax revenue and this is what it takes to increase our COIT revenue? Other revenues are driven by miscellaneous departments. Is there a way to determine X in income equals this to the taxing unit? That would be able to show us that it takes a little bit of income to give us more revenue or a lot of income or a combination of property tax. If I am asking for a lot of work there that is not my intent.

Tera Klutz: For property tax, it is a little bit easier because that is going to be tied to the assessed value. Right now our County and Counties across the State of Indiana need more assessed value. We need more buildings and

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stable property values because we need the market to not only stabilize but to also start to pick up. November, 2010, the constituents tied tax liability to that assessed value and capped that amount that governments can collect. The only increase in property tax for someone who is at the cap is to see that market value and property increase. It is easy math. Income tax is a little harder. This County has two types. We have Economic Development and County Option Income Tax. If that would bring in ten percent more than it did the year before, we can't say that each unit would get ten percent but it is really close. That is because the Option Income Tax is passed out to every unit based on the amount of property tax that they charge in conjunction with every other unit. Since most of the units are already taxing at their maximum allowable per State law, that pro-rata share stays pretty similar. Debt is not considered, like Fort Wayne Community Schools is doing a big debt issue. That won't increase their proportionate share, if they received income tax. You can't say that if we get ten percent more, we can get ten percent more in County Option Income Tax revenue.

Darren Vogt: The property tax increase is a little harder from the cap standpoint.

Tera Klutz: There are bills before the Legislature eliminating personal property tax completely. If we capped the amount that taxpayers pay and then start chinking away at different assessed value opportunities that currently are in place, we are just decreasing the amount of revenue that local governments are going to be able to get.

Darren Vogt: This has given the viewing public a look at what we live in. It isn't as stable as we would like it to be. It is a moving target as State statutes change and as we try to project out, it isn't easy. We need to be as fiscally conservative as possible without jeopardizing the safety of the community.

Roy Buskirk: I think that when the Legislature passed this property tax cap and asked the public to vote on it, the Legislature anticipated that the real estate values would continue to go up. They haven't and that is one reason why we are in a crunch. We are fortunate that we have had some commercial development but some of those are receiving abatements. We won't see that revenue for several years.

Tom Harris: One of the trends that we are starting to hear more rumblings on is inflation trends. If we watched inflation grow and begin to take off, how might that affect revenues in terms of assessed values?

Tera Klutz: I want to say if people are buying inflated property values, in the short term that would grant more money to the County. I think we were

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pretty lucky in the Midwest to not be on top of that big bubble so that our values didn't drop drastically. That is one way that inflation could affect property values.

Tom Harris: If those values don't increase because of a tough market but yet we begin to see inflation in other areas, we would not be increasing revenue but more cost is coming to the County.

Tera Klutz: I am going to be facetious and say what if you guys inflated our County employees' salaries? We would actually see more income tax revenue going to the State.

Larry Brown: What I have heard this morning is an appeal from the Sheriff's Department that is now in the amount of \$827,000. We have already tossed it around the table to deny the \$591,196 for the CCP. We have heard an adjusted appeal from the Coroner in round numbers of \$21,000. Building Department, we are taking that to zero, Commissioners to \$55,000 and Homeland Security at \$7,000 and Parks at zero. That is a \$910,000 increase. We have also heard of \$238,000 additional revenue from CEDIT and \$800,000 from COIT. That is \$1.38 million and so we have it covered.

Tera Klutz: May I go ahead and state that if you approve the Commissioners \$55,000, you are basically saying to keep the current liability allocations as they are and the amount that was not allocated to the departments, just have the Commissioners pay for it.

Darren Vogt: I still think the way of having the departments responsible for it needs to be...

Larry Brown: It is still \$55,000. We just need to figure out where.

Darren Vogt: We just need to get the Auditor's Office to put it back into the budgets of the folks with the cars.

Larry Brown: I think the thing I would like to leave this meeting with is that we have all heard from many, many, many people that we don't normally hear from and I think that to a degree it was exaggerated. This is an ongoing process. Nobody said a week ago that we were going to cut 40 people out of the Jail. Nobody said that. It was perceived that is where it was headed. We also never said that we were going to cut Sworn Officers. We did ask a lot of pointed questions and we got back some good answers. The Sheriff's Department, as a whole, could benefit from some better fiscal review and perhaps direction. I hope we can find a way to help them with that. Obviously

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the Sheriff is open to that. He just can't pay for it out of his budget. I am sure that our Auditor can help us with that.

Darren Vogt: There are folks that will do it even along the lines of the inmate medical thing. Tom, do you want to talk to that a little bit?

Tom Harris: I was speaking with a company, in the last couple of days that provide their service. They come in and do an assessment at no cost. They receive a percent of savings that the County would receive over a year or two-year contract. The Sheriff's argument to that would be that he is elected to provide safety to the community and I don't really care what some outside individual comes in and says. It is my job and I understand that balance. As I have shared with the Sheriff and his staff, they are the largest department with the largest budget. In every entity, when you are looking at savings and reduction in cost, you go to that area. What we don't want to do is move that risk higher for the safety of the public. There are efficiencies that can be identified in the largest budget in the County. I think the Sheriff is willing to go that route. I think that through the Auditor's Office we can come up with some ideas in terms of this outside entity coming in and providing guidance.

Larry Brown: I don't know what kind of information you have on the company or companies that you are referring to but I think they need to have a background in Jail's and Law Enforcement and not just an accounting firm that does this.

Tom Harris: Possibly in government but when you narrow it down to Jail's, you are going to restrict and you may be looking at an L.A. firm instead of a local firm.

Roy Buskirk: In looking at these cuts, we asked the Sheriff to cut \$397,670 from his current budget, is that correct?

Larry Brown: Yes.

Roy Buskirk: And he is coming back and asking for \$827,000 and so he is not actually cutting anything from the current budget.

Larry Brown: Absolutely correct.

Tom Harris: That is approximately a three percent increase in his budget.

Roy Buskirk: I know that we received a lot of different emails and communications with a lot of people about losing their jobs. I also received a lot of communications from citizens and other department heads that we

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should stick to our guns and check out some of the things that we suggested to him. Some of the personnel have made great suggestions. One was taking a day off each month. The Sheriff is really going to have to get behind some of this legislation.

Paul Moss: To someone's comment about hiring an outside firm, I think that is a slippery slope. I am pretty sure that it is our job, as the elected fiscal body, to make the decisions about people's budgets. I understand the concern about the Sheriff's budget but I think the reason for the concern is that it is the biggest budget and something is wrong. I don't agree with that. What we have to do is set priorities within all of these departments that we have to look at. Keep in mind if you submit a budget that is flat, you just fly under the radar. Intuitively, in my mind, there might be some fat there. The Sheriff came back with some cuts and based on the comments that I just heard, it sounds like you are not going to support this. With these most recent comments about hiring someone from the outside, do you believe there are gross inefficiencies still?

Tom Harris: As their liaison, I would say no on the gross inefficiencies. I would challenge that they are as efficient as they could be. The fact that I mentioned that it is the largest department and the largest budget does not imply that there is something wrong. When you are in cost containment or cost reduction mode, those are areas that you want to go to. The Sheriff is responsible for the safety and that budget is the biggest budget in the County and there may be some ways that we can help the Sheriff identify improvements.

Paul Moss: Didn't we just do that over the course of these many days? Now we want to go out and get a consultant to come in.

Tom Harris: Paul, my concern is that this cost is going to continue and if we watch revenues tighten, five years from now we will be having the same discussion. How does the Sheriff build in revenues and user fees should be correlated to the population of the Jail? If there are more people coming in there ought to be increased revenues to offset some of those cost increases. That means strategy in what to do with the General Assembly and those things will come from more discussion and analysis. If we can gain that through the Auditor's Office, I am more for it or if we can gain it from an outside service, I think the Sheriff is okay.

Roy Buskirk: What I meant was is that the Sheriff is not cutting his budget at all.

Paul Moss: Yeah, I understand that.

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Roy Buskirk: He is adding over \$400,000 to his budget.

Bob Armstrong: I am with Paul on this. I have a hard time understanding why we are going to spend more money to save money. The Sheriff is an Elected Official. He knows what his annual budget is. When I came onto this Council, the big thing I was told is that we don't micromanage anybody. In my point of view, you don't spend money to save money. We are the financing side of the County, you fund it or you don't fund it. If you don't have it, you don't spend it. That sends the message back to the Department Head to pull up your boot straps and figure out how you are going to weather the storm. It is not because you have the largest budget. It is because you have a responsibility and an oath that you took to run the office that you were elected to. We hire consultants but yet we have Elected Officials that we pay to do the job. To me you are just paying someone for an opinion. I think you have to hold their feet to the fire and make them accountable for what they took an oath to do. I will not approve to appropriate money for someone to come in and do the job of that person.

Darren Vogt: Let me clarify my statement. I would agree with you. The process that Councilman Harris is talking about does not have a cost to us. They are only paid by any savings that they would see. Sometimes, as I look at my own business, an outside person coming in can be a good thing. You get focused on this and can't see the forest for the trees. To your point of putting the feet to the fire, we try to do that. I will remind you of the budget process. It is that we give the Department Heads an allocation and we ask them to do two things. Prepare a budget that is within that and if you can't do that, appeal. We want both. The Sheriff chose not to do any of that and everyone else did. That is the frustrating part for me. We ask the Elected Officials, who know their job the best, to tell us what they can and can't cut. All we get, for another year in a row, is an increase. When we give suggestions every year and none seem to come to fruition, I think the number of cars that we have even though he is reducing them and the take-home cars need to be analyzed. That is the kind of thing that I have not seen the Sheriff work on.

Larry Brown: I think the Sheriff has analyzed that. I think that is why we saw an appeal of \$1.6 million.

Darren Vogt: I haven't seen those numbers.

Larry Brown: Let me ask you this. Who is going to decide whether it is worthy or not?

Darren Vogt: Us, the financial body.

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Paul Moss: Exactly and to your point, it is free assuming that someone else within didn't find those savings. The budget process has been better every year. All you have to do is look in the newspaper at where the City is right now and their process. I can guarantee you where it is going to end up. This is working and if you all continue to do your job the way you have, it works. I think this all started with the discussion about the hiring freeze.

Larry Brown: I thought we finished that.

Paul Moss: My thought on it is that I don't like the term hiring freeze but I like that in order to get a job refilled, it should go through quite a bit of scrutiny. I think it is a very good idea to do something like that through the Personnel Committee or something along that line. Another level of scrutiny will have a significant impact in the future.

Larry Brown: Kevin.

Kevin Howell: To piggyback onto your comments, Councilman Moss, but you are not suggesting that we micromanage the Sheriff's Department in terms of every item, per se.

Paul Moss: I definitely am not suggesting anything specific to the Sheriff's Department. I am talking much more broadly than that. I don't think we are capable of micromanagement. The process is a good process and we are essentially forcing the Department Heads to manage as they should. The only tweak that I have always thought should be applied to the process is looking at those budgets that fly under the radar simply because they stay flat. I applaud them for that but if there is a way to better scrutinize those departments that might be an opportunity.

Kevin Howell: Two things in regards to flying under the radar, you want us to take a look at that too.

Paul Moss: I am not sure how else to say it. Those departments that didn't receive scrutiny because they didn't appeal their budget or adhere to our request to cut, if there is an opportunity to take a look at those you might find some fat there.

Kevin Howell: In regards to the Sheriff's Department, at some point we are going to have to bite the bullet with this guy. I like him personally and all of that and this is nothing personal. He has asked for more money and we don't want to give him more money. We want to cut.

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Paul Moss: I understand that and again I am definitely not trying to advocate for one specific department. I don't really know how to respond to your question.

Larry Brown: Councilman Harris.

Tom Harris: As the liaison, I have had a number of times to talk to both the Sheriff and his staff. As we have talked, a \$21 million budget and his department are bigger than a lot of businesses. The Sheriff is CEO, if you will, and some of the things that you want are ideas, suggestions and comments to make your function more efficient. He is open for ideas and suggestions from the Auditor's Office or bringing in somebody to provide more suggestions. I applaud him for that. I agree with Paul that if we can do that through the Auditor's Office that is one less fee that we are paying an outside entity to do.

Paul Moss: Okay, you hire an outside consultant and they find savings. A part of those savings are, pick a department, to get rid of this employee. It still has to come here and we still have to do our job.

Tom Harris: In this scenario, and there are lots of scenarios, they would be working in conjunction with the Sheriff. It is not that they would be coming to us telling us what they suggest.

Larry Brown: Okay, gentlemen.

Roy Buskirk: I have a couple of questions. The \$800,000 and the \$238,000, where are they coming from?

Larry Brown: \$238,000 is from CEDIT and the \$800,000 is from COIT. It was certified as of yesterday, Tera?

Tera Klutz: No, it was certified earlier this month.

Roy Buskirk: And these are funds coming from the State?

Tera Klutz: What happens is that we estimate what revenues all of the units and the County will get for income tax. The actual amount that we will get for 2013 is what we get this month. The Commissioners budget \$6.1 million for CEDIT but we are actually going to get \$6.3 million. There was a law written in 2011 that states that any time a County by ordinance or resolution can transfer the money from the Economic Development Fund to the General Fund.

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Roy Buskirk: My other question concerns the rollover. Does a certain amount of the rollover have to go into the Rainy Day Fund?

Tera Klutz: No.

Darren Vogt: We have talked about that in the past but there are too many variables and we didn't put any Rainy Day Fund policy in place.

Tera Klutz: Last year you chose to take some out of the Rainy Day Fund at the budget adoption meeting. When we were able to tell what departments had not spent and had a rollover, you replenished the Rainy Day Fund after the beginning of the next year.

Tom Harris: Do you recall how much that was?

Tera Klutz: A million dollars.

Roy Buskirk: I don't know if we would want to do this at this meeting or not but make a commitment of doing a bonus or wage increase for the employees of the County.

Larry Brown: Out of what?

Roy Buskirk: Out of rollover.

Jackie Scheuman: You already have two percent bonus budgeted.

Roy Buskirk: Oh, that's right.

Tera Klutz: The way it is written, employees will take home one percent less next year.

Roy Buskirk: We did three percent last year.

Tera Klutz: For 2012.

Larry Brown: From previous discussions, we are at \$910,000 and we have identified \$1.038 million. That leaves a difference of \$128,000. I will remind you that when we heard from the Prosecutor, there is a potential that she may not be able to cover all of her appeal amount out of fees. As I recall, her appeal was in the neighborhood of \$68,900.

Tera Klutz: It was \$130,000.

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Larry Brown: The Building Department has two items that stand out to me. One is the IVR system which I fully expect the Joint Oversight Permit Board to pay for that.

Tera Klutz: I misspoke, the Prosecutor was only \$90,000.

Larry Brown: The other item from the Building Department is vehicles and I think we said we would deal with that when the need presents itself sometime in 2013.

Roy Buskirk: I have a question on the Sheriff's rollover last year. It was \$800,000 or something like that.

Jill Werling: I don't have that figure with me but a lot of that was salaries.

Darren Vogt: The Jail, the rolled P.O.'s are they an inclusive or exclusive number?

Tera Klutz: The rolled P.O.'s are the amounts of committed purchases. Unexpended is just cash and goes to the rollover.

Darren Vogt: So, I don't need to add them together, right?

Tera Klutz: They are two different numbers.

Darren Vogt: The Jail was \$473,000, Work Release was \$27,000 and the Sheriff was \$173,000.

Nick Jordan: \$673,000 of unexpended.

Tera Klutz: The \$600,000, I would take as a percent of their \$21 million budget just to get an idea of the percent.

Larry Brown: All right, gentlemen. Where do you want to take this? I would like to see us make a commitment because we had so many employees in attendance earlier this morning and the vast number of emails that we received. They are concerned about their jobs and I think it is appropriate to calm the storms, so to speak, to give some kind of signal out of this meeting today.

Roy Buskirk: I would hesitate doing that because I think that is up to the Sheriff.

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Larry Brown: It is very obvious to me that the Sheriff cannot or did not or will not and that is why they were here. This is a process. There is no conclusion. The people that were here this morning thought it was concluded.

Roy Buskirk: I am sorry that they were misinformed.

Kevin Howell: What are you asking us?

Larry Brown: What is our consensus? Are we thinking about funding the Sheriff's Department appeal of \$827,000?

Tom Harris: If we were to say no, he may feel that he has to cut staff.

Larry Brown: Again, it is not just the \$827,000 plus the \$396,000 that we asked. From where we started to where we are at is roughly \$1.2 million.

Roy Buskirk: No, the \$827,000 is from the \$20 million.

Jackie Scheuman: The \$827,000 is from their reduced allocation.

Roy Buskirk: It includes the cuts.

Darren Vogt: It also includes the \$400,000 that I am personally willing to take care of for medical.

Tera Klutz: I see your point now that you made the first time.

Larry Brown: Bob.

Bob Armstrong: Homeland Security is on here and there was a hiccup last month or whenever. We voted to change something, it was a clerical thing. Is his appeal amount \$6,659 or is that reduced because we cut.

Tera Klutz: In the July meeting, you approved an additional appropriation. Unfortunately that was not in time for us to adjust his 2013 allocation. To keep the budget in place, he would need an additional \$6,659.

Darren Vogt: That does include a cut that he made.

Larry Brown: I would like to see us leave today with some indication on the Sheriff's budget appeal.

Tera Klutz: We would like you to decide on all of them today.

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Paul Moss: I assumed that we were.

Darren Vogt: Let's walk down through these. Parks and Rec was a no. I will move for approval that we do not allow the appeal for Parks and Rec.

Roy Buskirk: Second.

Larry Brown: Is there any further discussion? As a review, we asked them to take that appeal out of their gate receipts.

Tera Klutz: And not close for a day.

Tom Harris: I think the balance in the gate fees was nearly \$499,000. We said to go back to the \$499,000 and use that.

Larry Brown: And not closing one day a week.

Darren Vogt: To the point of not micromanaging, if that makes the most sense based on usage of the park, it might make sense. I agree that we can send the message that we might not like to see that, if it makes sense in their operating plan, so be it.

Larry Brown: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.

Roy Buskirk: I will make a motion that we approve the Homeland Security appeal amount of \$6,659.

Darren Vogt: Second.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 6-1 (Moss).

Darren Vogt: I will make a motion that we approve \$54,731 not in the Commissioners' budget but be allocated across by dividing out the number of cars by the amount of insurance the way we had talked about.

Tera Klutz: Is there a sheet? This is not going to work this time and this is how it got messed up the last time.

Darren Vogt: Chris, can you come up and confirm that I am looking at this right? Dividing it out evenly was the \$840.

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Chris Cloud: There are two components. There is one at \$54,731 and then there is an additional \$15,000 out of that line to get the full premium of \$69,650.

Darren Vogt: \$69,650 makes it \$840 per car, right?

Chris Cloud: Right but our appeal is only \$54,731 because we think the fund can handle the difference.

Tera Klutz: We will need to know how much we are increasing each department's allocation and then we will rely on you to communicate in conjunction with that notification what it is for and how it was arrived at.

Chris Cloud: Sure.

Roy Buskirk: So by approving this appeal amount, the amount will be scattered throughout the whole County?

Chris Cloud: Correct, we were actually appealing on behalf of the departments.

Darren Vogt: We have 398 cars.

Roy Buskirk: What I am saying is that it has to go to every department that has a vehicle.

Darren Vogt: Right.

Roy Buskirk: Isn't there a simpler way to do that?

Chris Cloud: Every department could have appealed but it seemed easier for the Commissioners to appeal it.

Darren Vogt: What we are trying to do is put the responsibility on the users. Every other year it has been in the Commissioners' budget. Now that we are putting it into the budget of the Department Heads, adding or taking away cars will impact their budget.

Roy Buskirk: I understand all of that. Every one of the Department Heads is going to see their budget bounced up a little bit and will need an explanation of why.

Chris Cloud: That amount is only for vehicle insurance.

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Roy Buskirk: It is going to put some additional work on the Auditor's staff.

Tera Klutz: We don't mind the extra work. We want to make sure that we have full communication and that we are not confusing the process. Their department will be billing internally to these departments.

Larry Brown: Darren, did you get your motion completed?

Darren Vogt: The motion is to approve an additional allocation in the General Fund of \$54,731 for the purpose of automobile insurance to be worked out in the Commissioners' Office.

Bob Armstrong: Second.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.

Roy Buskirk: I make a motion that the Building Department appeal amount be removed and it is zero.

Larry Brown: In other words, denied.

Bob Armstrong: Second.

Larry Brown: Is there any further discussion?

Bob Armstrong: So what that is was what we discussed earlier.

Roy Buskirk: Yes and the new phone system that the Permitting Board is looking at.

Larry Brown: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.

Tom Harris: I will make a motion for the Sheriff's Department appeal in the amount of \$827,007.

Bob Armstrong: Second.

Larry Brown: Any discussion?

Tom Harris: From my standpoint, the Sheriff has made some cuts and ultimately it is the responsibility of this entity to maintain the safety of this community and Allen County.

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Roy Buskirk: Tom, name one cut.

Tom Harris: I understand the Congressional math.

Roy Buskirk: He hasn't made any cuts.

Tom Harris: Even though is asking for a three percent increase, I do understand that.

Larry Brown: Any further discussion?

Roy Buskirk: I think part of my frustration is in trying to get the Sheriff to cooperate and look for every nickel to save. I think we need assistance on the second jobs to offset some of the cost of the equipment. There are a few small items that can go a long way.

Larry Brown: Kevin.

Kevin Howell: Councilman Harris, assuming that this gets approved, where do we go from here?

Tom Harris: My initial thought is to turn to the Auditor's staff to see what we can do to make those further assessments or set up a process to look at all user fee opportunities.

Kevin Howell: Paul, is this the kind of in-house thing you were talking about?

Paul Moss: There are all kinds of ways to achieve what you want here.

Larry Brown: Before I call for a vote, I want to make sure there is ample discussion.

Paul Moss: I am not sure what the motion was.

Tom Harris: \$827,007 is the amount that he is requesting.

Larry Brown: We have a motion and a second. We are going to have a roll call vote.

Becky Butler: Darren.

Darren Vogt: Yes.

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Becky Butler: Kevin.

Kevin Howell: Yes.

Becky Butler: Roy.

Roy Buskirk: No.

Becky Butler: Larry.

Larry Brown: Yes.

Becky Butler: Tom.

Tom Harris: Yes.

Becky Butler: Bob.

Bob Armstrong: Yes.

Becky Butler: Paul.

Paul Moss: Abstain.

Larry Brown: The motion passes 5-1(Buskirk) – 1(Moss). We have one department left.

Tera Klutz: No, we have Combined Communications, the Coroner and the Prosecutor.

Darren Vogt: She isn't on the list.

Tera Klutz: Larry brought up that the Prosecutor said she may not be able to do it and there are available funds.

Darren Vogt: I move to deny the appeal for the CCP and consider the funding through the 9-1-1 funds when we know the whole thing.

Tom Harris: Second.

Larry Brown: Is there any further discussion? All in favor signify by saying aye, opposed, same sign. The motion passes 6-1(Brown). Do I hear a motion on the Coroner?

Paul Moss: Move for approval of the Coroner's appeal of \$24,506.

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Bob Armstrong: Second.

Larry Brown: Is there any further discussion? All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. The Prosecutor withdrew her appeal.

Tera Klutz: After Roy's comment that none would be approved.

Larry Brown: Do we need to take official action on that?

Tera Klutz: Only if you would want to reconsider it.

Roy Buskirk: I suggest that we wait and see what she does.

Larry Brown: Is there anything else to come before this body?

Tera Klutz: I have a few items to talk to you about on how some of our departments were creative on meeting their allocations. To touch on Paul's comment that some of the departments fly under the radar, it is definitely true but at the same time they are making the tough decisions to lay people off. The Surveyor chose to eliminate one of his positions and move the rest of his staff to a 40-hour workweek. Allen County Juvenile Justice Center is implementing a policy of taking up to eight furlough days. Superior Court presented a budget that had some of the employees moving from the UPROB grid to the PAT grid but they withdrew that. With this budget submission, they moved them back onto the PAT grid and put them at the level of service that HR had recommended. They have asked to red-circle them indefinitely until the grid caught up with them.

Darren Vogt: I think we need to get a legal opinion on them red-circling indefinitely. We have the red-circle policy in place that says X if you are ten percent and now we are trying to deviate from that. I am not comfortable without some sort of legal opinion.

Tera Klutz: We have time to get a legal opinion on that.

Darren Vogt: These differences, I am thinking are pretty substantial.

Tom Harris: A year ago, we chose not to move those individuals even though HR said that they fall into the PAT category.

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Darren Vogt: I don't disagree with anything you said. My problem is with the red-circling piece. If we have a policy in place and we are going to deviate from that policy, it needs to be evaluated.

Tera Klutz: Is there a consensus to get a legal opinion or just to leave it as submitted?

Darren Vogt: I will make a motion to get a legal opinion on the red-circling process as it stands now.

Kevin Howell: Second.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 4-3 (Moss, Armstrong and Harris).

Tera Klutz: We will seek a legal opinion whether Council has the authority to red-circle those employees according to the policy that they have adopted.

Darren Vogt: If we adopt it as indefinitely, does that put our policy in jeopardy?

Roy asked about when they would have information on the pension plan. Tera said that she would be going to a meeting on October 9th to request that and she talked about the history of the Sheriff's pension plan and the civil papers.

Larry Brown: Gentlemen, is there anything else to come before this Board?

Roy Buskirk: Move to adjourn.

Darren Vogt: Second.

Larry Brown: All in favor please signify by saying aye. Opposed like sign. The motion carries 7-0. There being no further business the meeting was adjourned at 11:17.