

**ALLEN COUNTY COUNCIL MEETING MINUTES**  
**AUGUST 15, 2013**  
**8:30 AM**

The Allen County Council met on Thursday, August 15, 2013 at 8:30 am in the Discussion Room at Citizens Square. The purpose of the meeting was for additional appropriations, transfer of funds in excess of the current budget, grants and any other business to come before Council.

Attending: Robert A. Armstrong, Larry L. Brown, William E. Brown, Roy A. Buskirk, Tom A. Harris, Kevin M. Howell and Darren E. Vogt.

Also Attending: Tera Klutz, Auditor; Nick Jordan, Chief Deputy Auditor; Nelson Peters, Commissioner and Becky Butler, Administrative Assistant.

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

**Darren Vogt:** Good morning everyone. First on the agenda is the approval of the July 17<sup>th</sup> and July 18th meeting minutes. Are there any additions or corrections?

**Tom Harris:** Move to approve the minutes.

**Bob Armstrong:** Second.

**Darren Vogt:** All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next is the financial report from the Auditor.

**Tera Klutz:** Good morning, Council. The July 31<sup>st</sup> financials are in your packet. I will review the General Fund. After last month's budget allocation meetings and using the same Council earmarks, there is approximately \$372,000 left to appropriate for the remainder of 2013. You have for consideration today \$272,136.

**Darren Vogt:** Council, are there any questions on the financial report?

**Roy Buskirk:** We have, in the Council line item for capital expenditures, correct?

**Tera Klutz:** For 2014.

**Roy Buskirk:** We have none left for 2013?

**Tera Klutz:** You may have a small balance. I believe that you had put some in there for the Prosecutor. She appealed her 2013 budget and she said she would try to make it. I believe there were some cars for the Building Department. There is a little funding left.

**Roy Buskirk:** Okay.

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Nick Jordan:** I will check it.

**Darren Vogt:** I have not talked to the Prosecutor as to how things are going. Usually she is pretty good at keeping me up to date if there are issues. Tom, are you the liaison for the Prosecutor?

**Tom Harris:** Yes.

**Darren Vogt:** Have you heard anything on how she is doing?

**Tom Harris:** No.

**Darren Vogt:** Some of it was related to the fees that she gets in. We'll just have to keep an eye on that. Tera, how are we looking on revenue?

**Tera Klutz:** We are looking pretty good. We are 58% through the year as of July 31<sup>st</sup>. Technically it is 58.33% and the revenue is at 58.15%. We are tracking very close after you back out revenue from refund reimbursement. I always think that it is an inflated number and I back it out to arrive at the true revenue that we have received to date. It looks like our projections are holding tight.

**Darren Vogt:** Nick, do you have that number?

**Nick Jordan:** There is approximately \$50,000.

**Darren Vogt:** Is there a motion to accept the financial report?

**Larry Brown:** So moved.

**Bob Armstrong:** Second.

**Darren Vogt:** We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Nick, can you highlight the unemployment rates for us.

**Nick Jordan:** Good morning, Council. On the agenda, you see the May and June non-seasonally adjusted unemployment rate. Allen County went from 7.8% to 8.3%. Indiana went from 8.1% to 8.7%. National went from 7.3% to 7.8%.

**Darren Vogt:** Thank you for the numbers but the numbers have gone up and that is a bad thing. With that, we have before us economic development. We have a resolution for Vera Bradley.

**Nikki Liter:** Nikki Liter with Economic Development. If we can do just one project at a time that would be great. The first project that we are looking at is at 11222 Stonebridge

## ALLEN COUNTY COUNCIL MEETING MINUTES

Road. That is the large campus out on I-69. Vera Bradley is going to be expanding their offices by 10,000 square feet. That is an investment of a little over \$1.6 million. They are also going to be adding some IT equipment with an investment around \$220,000. If you notice, on their Statement of Benefits, the current employment out there is 258 people with salaries of over \$10 million a year. They are looking to add fourteen new office employees there with a little over \$1 million in salaries. According to the point system, they would qualify for a five-year personal property tax phase-in for the IT equipment and will save them around \$5,600. There is a seven-year tax phase-in for the expansion to the office and will save them around \$130,000. Also, on their application, they elected to contribute back ten percent of their savings. With that said, the approximate savings are a little over \$135,000 and there will be a give-back of about \$13,000. We have Kevin Sierks here with us and he can talk more about that project and we can answer some questions.

**Darren Vogt:** Kevin, do you want to tell us what you've got going on?

**Kevin Sierks:** Sure. We are planning on building a campus at that location and there will be an additional expansion of our design center of 150,000 square feet. That is in addition to the 10,000 square feet. We are going to add an addition 126 employees over the next three to five years and invest about invest about \$26 million. Our plan is to bring two other buildings that are currently leased into one location. That will help our efficiencies and productivity and our ability to recruit to Fort Wayne.

**Darren Vogt:** Great. So that I am clear on the employees, these are additional and not just employees coming from the other campuses?

**Kevin Sierks:** That is correct. There are approximately 300 employees that we are going to move to the campus but there are over 120 that we will hire over the next four years.

**Tera Klutz:** Will they be full-time or temporary?

**Kevin Sierks:** Those are full-time employees.

**Tom Harris:** Maybe an understanding of what kind of employees and positions?

**Kevin Sierks:** We are hiring some management members. We are looking for a Chief Merchant right now. Our CEO just announced his retirement and so that is another one. We are still looking for a CFO. I am serving as the Interim CFO right now. There are a lot of IT employees and a lot of creative resources, people that design our handbags. Every function will be out there, all of the corporate employees as well as some of the design employees.

**Roy Buskirk:** You and us had some bad publicity this last week in the paper concerning some previous phase-ins. The thing that I want to try to get across is that you have been a very good steward for the County and the number of people that you have hired even though you fell a little short on some of your projections. You are still growing and are

## ALLEN COUNTY COUNCIL MEETING MINUTES

continuing to hire. Do you have any idea on the number of hires that you have had in the last four or five years?

**Kevin Sierks:** Yes and thank you for that comment. It has been a great partnership between the County and Vera Bradley. Since 2008 we have hired 700 incremental employees and since 2005 it has been approximately 900. The reason that those numbers show up as they do is that we have five different buildings and when you fill out the compliance documents, you have to look at everything in total and post it to one document. Overall, we have been in compliance with our abatements.

**Roy Buskirk:** Again, we really appreciate being a home-grown corporation and that you continue to work with us and getting to your final objective of having the campus.

**Kevin Sierks:** We appreciate that. We enjoy investing in the hometown as well. I am from here and appreciate it even more so.

**Darren Vogt:** Can you talk a little bit about some of the work that you do? I know you do a great job on the corporate side but on the community side there is the Vera Bradley Foundation and can you talk a little bit about that?

**Kevin Sierks:** We invest about a million dollars annually in the foundation. The foundation invests primarily in the IU Medical Center. We also invest about \$300,000, as a corporation, into the community. All of the employees contribute either time or money. Everyone enjoys it and that foundation is a separate entity of Vera Bradley.

**Darren Vogt:** Talk a little bit more about what it does. I think that is the important part.

**Kevin Sierks:** The foundation invests in treatments for breast cancer. We have had people, within the company that have had breast cancer and that is how it got started years ago. We spend a lot of time and hold a lot of events, a golf event and tennis event here in Fort Wayne, that raise the majority of money for that foundation. It brings a lot of people into Fort Wayne and is really just trying to fight cancer.

**Darren Vogt:** Great. Council, are there any questions? We will take these in two separate scenarios. Do you want to talk anymore about the other one?

**Nikki Liter:** Sure. Kevin already alluded to the total amount of jobs and the other expansion there. The other building is known as the Design Center and is just caddy-corner from their large campus there. According to the application that is almost \$19 million in the additional 150,000 square foot of offices. There will be \$1.5 million in logistical equipment and IT equipment. They also checked to contribute another ten percent contribution. With the worksheet, they qualify for ten years for both of those real property and investment there. With the ten-year savings, they are looking just under \$2 million and that is a give-back of almost \$200,000.

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Darren Vogt:** Are there any questions on that project? We kind of handled all of those at once.

**Roy Buskirk:** I will make a motion for the approval of the Vera Bradley location at 11222 Stonebridge Road and for the Vera Bradley and Great Dane Realty location at 12420 Stonebridge Road.

**Tom Harris:** Second.

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

**Kevin Sierks:** On behalf of Vera Bradley, I would like to thank all of you for the support.

**Darren Vogt:** Thank you.

**Tom Harris:** Please pass onto the employees congratulations for the continued success.

**Kevin Sierks:** Thanks, it has been a lot of work.

**Darren Vogt:** Council, we have an appropriation in the Nestle TIF Bond 403.

**Scott Harrold:** Good morning, Council. I am Scott Harrold and am here on behalf of the Redevelopment Commission. The Redevelopment Commission is in the process of paying off some bonds early. We are working with Wells Fargo on some bonds that really aren't due for three more years and in doing so the Commission will save about \$56,000 in interest. We anticipated this last year and somehow I got my budget numbers wrong and so we are about \$45,000 short of what we will need to pay off those bonds. I am just asking for the additional \$45,000 so that we can keep the process moving.

**Darren Vogt:** Council, are there any questions? How much did you say we were going to save by paying it off?

**Scott Harrold:** About \$56,000.

**Darren Vogt:** Ok, great. Council, are there any questions?

**Roy Buskirk:** So what is going to happen to the TIF District?

**Scott Harrold:** The District is still active at this point. The Commission decided to keep it active for the next year just in case that there are additional needs in the area. It is near some other properties that the Commission owns and there may need to be some roadwork done. Eventually, if it is closed down, that money would go back to the other taxing units.

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Tom Harris:** I will make a motion for the appropriation of the Bond Payment in the amount of \$45,000.

**Larry Brown:** Second.

**Darren Vogt:** All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. The Treasurer is next. We have an appropriation request for Office and Computer Equipment in the amount of \$23,000. I think we have had some discussion on this.

**Sue Orth:** I am Sue Orth, Treasurer of Allen County. This is Bill Royce, my Chief Deputy. I am here today to request \$23,000 to purchase a kiosk, a Treasurer's automated teller. This will allow the taxpayer to perform a self-serve tax payment with or without a bill in their hand. The taxpayer will be able to scan the bill or look it up on the system, select the amount that they want to pay or put in the amount that they would rather pay. They can select they type of payment, cash, check, credit or debit card. The kiosk will check the cash for counterfeit and give change when needed. It will process a check electronically and process credit and debit cards. The taxpayer can pay one or multiple tax bills and will receive a receipt when the payment is completed. It will do all of these things in Spanish as well as in English and that will really help our office. Our office will benefit by having another teller 24/7 to help with the payments. This is a one-time cost that we will save through part-time and bank fee budget costs for the next two years. We will have this Treasurer's automated teller developed and built and tested hopefully in time for our fall collections. In our research we have found that this is the first Teller to be built for Treasurer's in Indiana and possibly the Country. The company that is building this for us F & E Check Protector Company and they have twenty years of experience.

**Darren Vogt:** Councilman Buskirk.

**Roy Buskirk:** You said that this would be accessible 24/7 and where will it be located at?

**Sue Orth:** It is in the protected part where our tellers are but it faces the hallway. When the building is open, anybody can use it. When the building is not open, the Sheriff, Police and 911 people would be able to use it.

**Darren Vogt:** So it will be in the hallway, in theory.

**Sue Orth:** It will be in the hallway but the main part of the machine will be in our teller areas. That is so when we service it, we are in a protected area.

**Tom Harris:** Citizens are able to come in throughout the week and weekends?

**Sue Orth:** Not everyone because the building is not open. If the building is open, they can use it.

ALLEN COUNTY COUNCIL MEETING MINUTES

**Roy Buskirk:** What are the hours of the building?

**Sue Orth:** I think seven until six or something like that.

**Roy Buskirk:** So it is really not 24/7.

**Sue Orth:** It will work 24/7. You can call it and pay over the phone and it will process your credit card for you or you can put in your bank information and it will process that too.

**Darren Vogt:** Is that a number that you will be publishing?

**Sue Orth:** Yes.

**Roy Buskirk:** Will that be on the tax bill?

**Sue Orth:** It will be next year because we won't be sending any more bills out this year.

**Roy Buskirk:** Do you have to have a dedicated phone line for this?

**Sue Orth:** I imagine that it probably will have. I don't know how it works. I don't know that detail yet.

**Darren Vogt:** I doubt it. It is all automated. It is computer working.

**Roy Buskirk:** I think it is a great idea.

**Sue Orth:** Thank you.

**Tom Harris:** I think it is a great idea and I am fascinated that this is the first one in the State and the first one in the Country.

**Sue Orth:** There are kiosks everywhere but one that will do teller for a Treasurer's Office and taxes, there is not.

**Bill Royce:** The company that is building it and programming it actually builds these for church pre-schools. When the parents want to pay their tuition, they pay at these machines. What they will be doing is redefining the software to work for our office.

**Darren Vogt:** It will be interesting to see if there could be other applications within the County that we could use similar types of machines for wherever we are collecting money. If there is less manpower and gives people more access, it is a great thing.

**Tom Harris:** For every one of these decisions there are pluses and minuses. What is the down side of this? What is the risk or negative aspect of doing this?

ALLEN COUNTY COUNCIL MEETING MINUTES

**Sue Orth:** I haven't thought of any other than if someone tried to break into it.

**Tom Harris:** Inside of a police facility.

**Sue Orth:** Right.

**Bill Royce:** It is built into a safe and it is built into the wall.

**Tom Harris:** Is there any anticipation of how much it is going to get used?

**Sue Orth:** We will find out this fall. With PNC not collecting for us, I am hoping that this will help us with the overflow from that. They did over 6,000 bills and over \$3.5 million just in the spring for us.

**Darren Vogt:** I think people will use it once they get comfortable with it.

**Sue Orth:** That is what I am going to be doing during that time. I will stand in the hallway and get people to use it.

**Darren Vogt:** Hopefully it is user-friendly.

**Roy Buskirk:** Better than standing in line waiting for a teller. I think part of what is prompting this is that some of our local banks will not accept property tax payments.

**Sue Orth:** Just one so far.

**Roy Buskirk:** And that is?

**Sue Orth:** PNC.

**Darren Vogt:** Council, are there any further questions?

**Bill Brown:** Just a comment, thanks for the leadership. I will make a motion to approve \$23,000 appropriated in the General Fund for Office and Computer Equipment for the Treasurer.

**Bob Armstrong:** Second.

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

**Sue Orth:** Thank you very, very much.

**Darren Vogt:** With that, we are on to the Sheriff's Department.

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Ken Fries:** Good morning, Council. Before I get started if I could say, as we go through our day today, take time to remember Eryk Heck and his family. He was killed sixteen years today in the line of duty. With that, I am here for the appropriation for \$33,436 for the new CFO position. We have done many interviews and have come up with a candidate. He will begin work in probably mid-September. We are still looking for office space for him. He has not said anything to his current employer so I will not disclose his name. We think it is going to be a good fit.

**Darren Vogt:** Great. Council, as you recall, this is a position that we were definitely in support of. Are there any questions?

**Tom Harris:** Congratulations on getting that. It is not an easy position to fill and this is a new position for you. The amount that is being appropriated is the balance for what we had set for an annual salary.

**Ken Fries:** That is correct. There may be some left depending on when he starts.

**Darren Vogt:** Will we need a salary ordinance for this as well?

**Tera Klutz:** You already did that.

**Darren Vogt:** Oh, that's right because we had to advertise for the job. Are there any further questions on that? Councilman Brown.

**Larry Brown:** Tera, is there any comment from you since you were a part of the hiring process?

**Tera Klutz:** Yes, it was an educational team effort. I was grateful to be a part of the process and to learn more about what the Sheriff's Department does and their day-to-day operations. I provided much of the interview questions to vet these candidates out to find out if they can not only handle the environment of the Sheriff but also the accounting duties and responsibilities and analytical skills we want them to use.

**Ken Fries:** It is going to be a difficult job and we told him that it is probably going to be a year before he is feeling comfortable. It is very intense.

**Tom Harris:** Are you aware of any other Finance Directors for the Sheriffs throughout the State?

**Ken Fries:** None.

**Tom Harris:** Again, congratulations on taking that step. With that, I will make a motion for the \$33,436 of which for the Finance Director, \$24,000; FICA, \$1,836; PERF, \$2,100, Computer Software, \$500 and Office/Computer Equipment, \$5,000.

**Bob Armstrong:** Second.

ALLEN COUNTY COUNCIL MEETING MINUTES

**Darren Vogt:** We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Now we have the Cooperative Extension.

**Sam Johnson:** Good morning, Sam Johnson from the Cooperative Extension. Our 24-year Secretary is retiring and her replacement has been offered the position and has accepted. She has asked to begin one week early so that she can job shadow for a week. The annual salary is \$27,791. We have salary savings from the 24-year retiring employee to someone who has not worked for the County before.

**Darren Vogt:** Council, we have done this on several different occasions for training purposes. It makes good sense for someone to be able to job shadow to help learn the job.

**Roy Buskirk:** So what is the dollar amount that you need?

**Darren Vogt:** They don't need it. It is just a salary ordinance that we need to pass. The money is already there and appropriated.

**Roy Buskirk:** Got it.

**Tom Harris:** I will make the motion for the temporary salary ordinance for the purpose of training the Bookkeeper/Secretary, OSS 3/2 with an annual salary of \$27,791. That is effective August 26 through August 30, 2013.

**Bob Armstrong:** Second.

**Darren Vogt:** We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. With that, we have Department 62, Superior Court. This is for Pauper Attorney and Guardian Ad Litem.

**Fran Gull:** Fran Gull, Allen Superior Court.

**Jerry Noble:** Jerry Noble, Allen Superior Court, Court Executive. I would like to begin by showing a reduction in the request on items one and two. For the Pauper Attorney, instead of \$149,000 it is now \$132,000. Guardian Ad Litem will be \$60,000 instead of \$66,700. We have continued to refine our calculations and were able to receive an additional \$13,000 over and above the \$20,000 from the Indiana Supreme Court Interpreter Grant. That gave us a little more flexibility in the 300 Series. We met with our liaison, Tom Harris, in June to bring to his attention that we could see that there was likely to be a shortfall in the big 300 Series line items that we come before you from time to time. They are Consulting Services, Pauper Attorney and Guardian Ad Litem. There are a variety of factors. We have hit our monthly budget or come close to it a couple of times, or several times, through the first half of the year. There have been times that we have gone significantly over it. We can go back and look at the factors that led to that. These are line items that have to do with things such as access to the Courts and due process with regard to appointment of attorneys to represent parents in termination of

## ALLEN COUNTY COUNCIL MEETING MINUTES

parental rights, Juvenile CHINS matters, Guardian Ad Litem for those. We see that there is an increase in the cost connected with criminal appeals. There are petitions now to transfer cases to the Supreme Court when we lose with the initial Court of Appeals. That is a growing trend necessitated by ethical considerations for the attorneys that have been appointed to represent criminal defendants. There are a variety of factors that continue to drive up these costs. With regard to Consulting, we believe we can handle that with your approval through transfers. That is where you see the transfer requests on the agenda. With that, I would be happy to answer any questions.

**Darren Vogt:** Council? All right, I will start. Help me understand what the thought process was for 2013. As I look at the expenditures, the last three years have stayed relatively consistent. In 2010, the actual expenditure was \$474,000. In 2011, it was \$473,000 and in 2012 it was \$467,000. In 2013, you budgeted \$357,000. Doing the math that is about \$110,000 less. That is Pauper Attorney. For Guardian Ad Litem, in 2010 it was \$169,000. In 2011 was \$186,000 and 2012 was \$160,000. Again, those are round numbers. In 2013, the budget was \$100,000. Those are very significant cuts in the budget and I am trying to figure out that if we add these numbers back in, we are at \$489,000 and \$160,000 which puts us back to where you have been trending. I am really struggling with the fact that these numbers were cut. You said that the trend has been lower or increased but it hasn't. The trend is actually the same that it has been for the past three years. I need to hear something that tells me what you have done to try to cut those costs because other than writing the number in there, I haven't heard anything that tells me that. So, help me.

**Jerry Noble:** You will recall that back in October of last year, we came to the Council for additional appropriations because we were short then as well. At that time, we had the conversation about the allocation. We were trying to live within the allocation. The numbers that you have cited are what we see as well. When we are given an allocation, we are going to live within it as best we can. We were optimistic and I think we represented that. Going forward into the 2014 budget, we are appealing. You gave us an allocation and we are appealing based on these same three line items. We are going for the best reality that we can for 2014.

**Tom Harris:** I had a chance to meet with some of the Judges.

**Fran Gull:** Thank you and we appreciate that.

**Tom Harris:** Philosophically we talked a little bit about overall general increases and the need to do this kind of coverage that is needed by the Courts. Also, philosophically about do you raise the budget to make sure that we don't have these extra requests during the year and to make sure that they keep the numbers intact or do you keep a very tight number in the annual budget and then have to have these special requests? The question was asked of what is the Council's pleasure? Do we try to get that budget number more accurate or do we try to keep that tight? I responded to them that frankly, from one Council member's position, I would try to get that budget number right so that we don't have those special requests throughout the year. The challenges that I shared with them is

## ALLEN COUNTY COUNCIL MEETING MINUTES

that in any business or any entity you are going to have cost increases that happen throughout the year. It doesn't necessarily mean that you raise prices or continue to come back and ask for more and more money. Maybe you have to cost-shift and figure out ways to say that we have money over here and let's not spend as much over here in order to pay for this concern over here. We didn't get to the point of talking about extra funds as much. Have you had a chance to look at other funds that you might be able to pay for other expenses within Superior Court? Are there other funds that could be used to pay for normal expenses within the scope of what that fund pays for that would ultimately reduce this request?

**Jerry Noble:** I understand the question and it is a good question. From my perspective, and I think Judge Gull would expand on this, the funds that you are talking about tend to be the ACP User Fee. That program is expanding, in terms of the kinds of cases and the numbers of cases that are coming in. It is the cost of success when you do well with a program such as Drug Court, for example, the numbers and types of cases that will come into that tend to grow. Those expenses are going to go up and we know that you were very gracious to allow us to hire another Court Reporter. That is additional expense. There are additional security expenses. We are constantly seeing, administratively from where I am sitting, greater demand placed on those funds to the point where we have to be cautious about long-term the viability of that fund to continue doing what we are doing.

**Tom Harris:** The other soapbox that I have gotten on before and I did as well with the Judges is the idea of what are the fees and the folks that end up breaking the rules and breaking the laws of our community, are they paying more for the cost increases versus the person that follows all of the rules, pays the mortgage and does everything that they are supposed to do. They need their roads improved and the safety in the community increased and should they pay for all of the people that have broken the rules? We came back to that discussion as well. Anyway, are there any further thought on fees?

**Fran Gull:** We are paying out of our User Fee account everything that we are statutorily able to pay out of the User Fee account. It is restricted by statute to the program and the personnel of the program. We are doing what we can do to take things out of the General Fund and take them into the User Fee Fund. You will see that we are asking for appropriations within the User Fee Fund to pay for some of the things within the program. We are limited by statute to program expenses and program personnel.

**Darren Vogt:** So as I understand what you just said, every person that works through the program is paid out of that program fee?

**Fran Gull:** No. The program is statutorily not supposed to be supported strictly by user fees. The statute is very clear that the User Fees are to supplement the General Fund and we have gone far in excess of supplementing the General Fund in recognition of the dire straits that County government finds itself in. We are not going to be able to pay for the entire costs of the operation of the Criminal Division of Allen Superior Court out of that user fee fund. It is just not feasible. We don't have the income. I would remind you of the

## ALLEN COUNTY COUNCIL MEETING MINUTES

folks that we are dealing with. We are not dealing with a rich population of people. Oftentimes we are dealing with indigents, people that have very little means or no means at all. The guy that I am sentencing later on today for murder isn't going to pay for his costs in the jail. That is not a realistic expectation. I know that you understand that and I don't mean to be flip about it but it is what it is. Those are the people that we are working with.

**Darren Vogt:** I guess my point was saying that not all of the people that are involved in the program are paid through the User Fee Fund. The User Fee Fund has a significant balance of about \$800,000.

**Fran Gull:** And that is down significantly from when I took over.

**Darren Vogt:** And that is kind of what we have asked.

**Fran Gull:** And I have been taking more out of that. I appreciate that you recognize that I have been doing as best I can. As Jerry said, we need to continue to make sure that we have a fund that is viable and a fund that can support that because when I am looking at an individual across the table knowing that I am paying that person out of the User Fee Fund, I have to make sure that I have the funds to pay that person to do the job that we have hired them to do.

**Darren Vogt:** I guess I still struggle with the process a little bit. From my perspective, and I don't want to say this disrespectfully, it looks like to meet an allocation you cut the line item hoping that it would work and it didn't and now we are back. I think this is the second year in a row, if my memory serves me, that we have done it this way. We have cut the number and you come back to Council for additional appropriations without hearing any steps that you are trying to do something different. It is a challenging number because you get what you get and I understand that part. When Council sets a budget together and we put out our allocation letter, all anticipated expenses should be covered and we haven't done that. That is where I am struggling.

**Jerry Noble:** What I would restate is that these are, and we mentioned it to Tom a couple of days ago, not really the operating costs of the Court. These are the costs that are presented to the Court much like the food expenses at the Jail or medical expenses at the Jail that type of thing. Granted, you can look at the trends and we do that. The funds that we are talking about here are not part of operating the Court itself. It is to pay for things like due process that is required for the people that are coming before us. It is our community and we are in this as a team. It is an expense that is not discretionary for us.

**Fran Gull:** We are faced with situations where we have individuals that appear in Court and are non-English speaking. I can't ignore that person. I can't just say "Go learn English and come back to me." I can't do that and am required to provide an interpreter for them. That is out of our Consulting line. An individual comes to Court and they are obviously not competent or they are struggling with mental illness or mental disease or defect, I have to appoint doctors to make sure that the individual is competent to stand

## ALLEN COUNTY COUNCIL MEETING MINUTES

trial. Once the competency has been determined, we then have to make sure that we have those folks available to testify on an insanity defense if that is raised. I don't get to say to people "No, please don't bring that to me." I deal with whatever is filed in my docket and I deal with whatever issues those folks bring to us. If you get a non-English speaking, mentally ill individual, I have to expend funds to ensure that person is provided due process. I have to expend funds to ensure that person has equal protection of the Courts. I wish I could tell you that we could just close the doors but we can't. We are constitutionally mandated to keep the Courts open and to provide services. I understand that it puts you in a horrible spot because that puts you in a position where you have to decide who gets what and what are the services that County government is going to provide. That is a tough call and I appreciate that. I am a taxpayer and I want my roads fixed and my garbage picked up. It is what it is though.

**Darren Vogt:** Council, any further questions?

**Roy Buskirk:** Yeah one thing Jerry, like Darren had pointed out for the attorneys, in 2010 it was \$474,000. In 2011 it was \$473,000. In 2012 it was \$467,000. Then shame on us because you turned in a budget for 2013 for \$357,000 and shame on us for not catching that you cut an item, that was very consistent, \$130,000 less than what it should be and now you are back for \$132,000. It is going to be basically averaging what those three years averaged.

**Jerry Noble:** It is part of the allocation process. I don't know what else to tell you. We are appealing for 2014 because now we have a clearer understanding.

**Roy Buskirk:** We have said in our letters to not cut utility costs or something that you know is not going to go down. I guess that was a shot in the dark in trying to meet your allocation and cutting an item that is very questionable if it was going to down that much or not.

**Jerry Noble:** We are here today appealing the 2013 budget, in a sense.

**Roy Buskirk:** Exactly and you did it last year also. On the User Fees, that is the way that the law is written? It is substantial and not a percentage to it?

**Fran Gull:** No.

**Darren Vogt:** Supplement.

**Fran Gull:** It is to supplement the General Fund.

**Roy Buskirk:** It always helps...

**Darren Vogt:** Supplement isn't defined.

**Fran Gull:** Correct.

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Darren Vogt:** Your definition of supplement and ours might be completely different.

**Roy Buskirk:** Right. It's not a percentage or anything else. That is when it is helpful when they say supplement is when they say 40% period. I'm sorry, I am a mathematician and I like hard facts. We don't have it in this system here.

**Darren Vogt:** Councilman Harris.

**Tom Harris:** I guess one of the challenges for Council is that at any given point throughout the year we will have a request that comes to us that we have to pay for and we have to make that decision of who we do not fund in order to make a particular payment. The question that I will throw to you is what if this is turned down today? What if we simply don't pay this? What do you do, at that point? Do you have other options within your own structure and process?

**Fran Gull:** We always have options.

**Tom Harris:** What might those be? What do you have?

**Fran Gull:** I would believe that the Board of Judges would have to have some very difficult discussions as to what options we would wish to pursue. I would hate to think that we would be looking at laying people off. We have options that we would have to pursue.

**Darren Vogt:** So let me make sure that I understand what we are doing. I think realistically we have a couple of different things that we are trying to do. We have Guardian Ad Litem and Pauper Attorney. Then you have Consulting Services where we are taking some money from 100 Series.

**Fran Gull:** The Consulting is for psychiatric evaluations and for the interpreters. The money that we are asking to transfer is money that has been sitting in line items that Jerry has been able to identify that we can transfer that money over to pay for some of these outstanding bills. The final four items are transfers within the User Fee Fund. The appropriation in the User Fee Fund for Consulting is required by the Judicial Center. You already appropriated that money last year. The contract with that particular evaluator didn't work out and I believe we could not encumber that purchase order over and so we just need to get that appropriated. The travel is to reimburse the User Fee Fund for the travel that we talked about last month with the Drug Court team going to Washington, D. C. The transfer in the User Fee Fund from supplies to drug testing is because our drug testing costs have really expanded. We are testing more people and have 149 folks in our Drug Court Program. We are testing our misdemeanor population more frequently and we are now testing more frequently for more types of drugs that are not included on our eight-panel test. We currently test for a variety of things but it doesn't pick up synthetic cannabinoids and so we have to specially test for that. It doesn't pick up some of the opiates and barbiturates and so we have to test specially for that and those costs are

## ALLEN COUNTY COUNCIL MEETING MINUTES

increasing because the tests are more expensive. Those are appropriations and transfers within the User Fee Fund.

**Darren Vogt:** The 100 Series, \$21,899, would normally rollover into the 100 Series for the following year. Council, is there any further discussion?

**Tom Harris:** Just one further comment. The challenge would be that whatever is chosen today is what we are going to do in terms of the appeal that is coming at us in the coming months for the next year. The challenge that I throw back to Superior Court is to see what other kinds of funds or restructuring that can be done to offset some of that. The appeal number is X and maybe this can come in less than X in order to help us deal with that as well. Philosophically and strategically, we iron that out so that the budget is where it needs to be for next year. With that, I will make a motion for the appropriation in the General Fund for Pauper Attorney in the amount of \$132,000 and for Guardian Ad Litem in the amount of \$60,000 for a total of \$192,000.

**Kevin Howell:** Second.

**Darren Vogt:** We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion carries 4-3. We will do a hand vote on that. All those in favor, signify by raising your hand (Tom Harris, Bill Brown, Larry Brown and Kevin Howell). Those against, (Roy Buskirk, Darren Vogt and Bob Armstrong).

**Tera Klutz:** I need to check the statute because it may require a 5-2 approval. I am just going to look that up.

**Darren Vogt:** Okay, we will move on and know that it may or may not pass.

**Tom Harris:** With that, I can make a motion for the transfer in the General Fund for a total of \$21,899 from the Assistant Supervisor II, \$2,316; Law Clerk, \$6,031; Judicial Assistant, \$2,273 and Court Reporter, \$11,279 to Consulting Services.

**Bob Armstrong:** Second.

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

**Tom Harris:** The third piece is an appropriation in the Alcohol and Drug User Fees Fund 741 for Consulting Services in the amount of \$26,700 and Travel, \$10,000.

**Kevin Howell:** Second.

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

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Tom Harris:** The next piece would be the transfer in the Alcohol and Drug User Fees Fund from Supplies for \$28,000 to Drug Testing, \$28,000.

**Bob Armstrong:** Second.

**Darren Vogt:** We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. I think that is all you have.

**Tera Klutz:** I will have it before the meeting is over. They have changed the law several times as to if you need 5-2 or 4-3. It is different for salary ordinances than for appropriations and so I just want to make sure that before we leave today that we have the most recent statute.

**Larry Brown:** Before we move on, I would like to get on my soapbox. Philosophically, that seems to be a word that is used a lot around here. The fact is that the State Legislature led the citizenry down the path of thinking that property tax reform was the best for everybody and the State was going to be the one, the State drove the train and the State was going to be the recipient of all of the benefits. The reality is those benefits are absorbed by all branches of local government, as you all know. I am not telling you anything that you don't already know. My point is, that action when they put property tax caps upon us, it forces us to choose and we have avoided making choices. Rather, we have used percentage reduction allocation process and have asked every department to adjust accordingly. To this point, it has kind of worked and kind of not worked but we've gotten through it. I think this is an example of where we, Council, is going to have to make a stronger effort and a stronger emphasis on all Department Heads, all Commissioners and all of those involved to be more active and cooperative with us in identifying essential services. We are going to have to make some choices and this is not going away. It is not going to get better next year, we know that and it is probably not going to get better the following year and who knows how many years after that. My point is that we need to belly up, so to speak, and start making some tough choices of what is essential and what is not. All forms of the judicial system keeps seeing increased numbers and increased cost. Is there fluff? I don't know. There probably is and was. Is there still? I don't know. Acquiring this financial person into the Sheriff's Department will help but what is available in the Court system? I don't know. I don't think any of us know. It is my opinion that we are going to have a tougher job ahead of us and we need to be ready for it and we need to prepare for it.

**Darren Vogt:** Before I open it up for discussion, if we want to have discussion on that, we have one more item on our agenda. Mindy, come on up and then we can finish that discussion.

**Mindy Waldron:** Mindy Waldron, Administrator for the Fort Wayne-Allen County Department of Health. Luckily we are not asking for more money, after that speech there. We are actually offering to take a position down two steps. We have an RN position that we feel could easily be done by an LPN based on some changes that have been made in the last year. The position is currently open. The person took a different job. It is prime

## ALLEN COUNTY COUNCIL MEETING MINUTES

opportunity and I appreciate that HR and you folks took this under advisement quickly so that we can fill the position. We are in our busiest time of the year. It is, again, to take it down from a PAT 5 to a PAT 3. I am glad to answer any questions.

**Darren Vogt:** Council, are there any questions on that?

**Tom Harris:** I will make a motion for the consideration of a salary ordinance amending the pay for an employee within the budget of the Allen County Department of Health, 285-7305-441, Public Health Nurse to LPN, 14-01, from \$44,773 to \$36,199.

**Roy Buskirk:** Second.

**Darren Vogt:** We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Okay, Councilman Harris, you had a comment unless you lost your train of thought.

**Tom Harris:** I almost lost my train of thought. The concern that I've got is, and it concurs with the previous comment, that the grants that we receive on local government and County government process are throughout the entire structure. Those grants are both State grants and Federal grants. We all know this. We know what the status of the Federal government is in terms of their budget. That day is going to come when they are going to tighten that belt and those grants are going to stop or slow down. I truly believe that day is coming and when that comes, we are going to have to make those tough calls. The grant system is keeping a lot of this process going for us. It will become very real that we need to prioritize services in the County because we will have a tough time trying to balance a budget.

**Roy Buskirk:** I think you just had a Department Head leave that can bring you up to date on grant status. Mindy has had a lot in the health industry of grants being eliminated or reduced. What you were saying is absolutely true that we are really going to have to look at it. A year ago, I think it was when you were President Larry, you asked Department Heads to look at the services being provided as far as essential services that are required to be provided by the County. I don't recall ever receiving or seeing that information tabulated or brought back. That is something that we really need to look at because I feel that it is going to come to a point in time that we are going to have to go back to essential services and possibly eliminate some services that we are currently providing. As far as the Courts, that is essential services. I was hoping, as far as this morning, that we would reduce the appropriation and have them go back and look again to see if they could find additional funds. That's it.

**Darren Vogt:** Realistically we are going to have to do more than essential services. What has happened is the Federal and State government has increased what our essential services role is. When you have governments that increase the role of the local instead of making it an option, then we are bound by what they tell us to do and those now become essential services. I think it is going to be more and more important for us to work with the State delegation that we can identify wants and needs and let us pick and choose that

## ALLEN COUNTY COUNCIL MEETING MINUTES

versus the State telling us what we have to do. It is going to be much more important for us to be able to have that Home Rule on things like the Board of Health. That is a controlled levy fund and as it has its needs, it controls the General Fund as well. All of those things are going to have to come into play. I think that time is coming sooner than later. Are there any other comments? We have an appointment of Neil Wisler to the Leo-Cedarville Regional Sewer District.

**Roy Buskirk:** I just made that. That is a motion that Neil Wisler be appointed to the Leo-Cedarville Regional Sewer District.

**Bob Armstrong:** Second.

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

**Tera Klutz:** May I go ahead and clarify that the motion that passed 4-3 that per IC 36-2-5 that an additional appropriation only requires a majority of the Council votes.

**Darren Vogt:** We have a resolution to transfer between the County General Fund and the Rainy Day Fund for ACJC's security system.

**Tera Klutz:** Yes, this was the item that we talked about last month. Originally he approached Council to see if he could borrow money from the Rainy Day Fund because he heard that the Highway Department had done that. At that time, it wasn't brought up that he could just ask for an appropriation out of the General Fund but we didn't advertise it that way. We went ahead and paid it out of the Rainy Day Fund and then we were going to use General Fund to replenish the Rainy Day Fund. This is just to really show that it is coming from the General Fund.

**Darren Vogt:** The question to me is, I didn't look at the financial report. Does the financial report include this?

**Tera Klutz:** It allows us to do that. It is going to be a close one. We can adjust the allowance on the uncollectible amount to make sure that we can get this and then we will basically be zero available for appropriation.

**Darren Vogt:** Council, do you understand that? Now through the months of September, October and November there will be no funds available. We do not appropriate in December. If we do approve this, we need to send a letter to Department Heads and Elected Officials to let them know that there are no additional funds available.

**Bob Armstrong:** The bank is closed.

**Darren Vogt:** Yes, does that make sense to Council?

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Roy Buskirk:** So, we have paid the ACJC security system out of Rainy Day Funds. That has already been paid.

**Darren Vogt:** Yes.

**Roy Buskirk:** So I am reading this resolution and I am wondering what we are doing here. We are taking money from the General Fund and putting it into Rainy Day but now I understand it. I am sorry for being a little slow.

**Darren Vogt:** I don't think you were the only one that was a little confused.

**Bill Brown:** In that regard, when we were having those conversations about the appeals, we thought that there would be some money available for those appeals. When we offered the opportunity for Judge Heath to take a payment from us versus the payment plan that he was setting up, I think our intention was to avoid the staging in of the money. At that time, were we aware that there would be no money for appeals?

**Darren Vogt:** We knew the money was tight.

**Roy Buskirk:** Yeah.

**Tera Klutz:** For the appeals for the 2014 budget, there is money.

**Bill Brown:** Okay, very good.

**Darren Vogt:** I think one of the things that he got confused with is the Highway Department had a revenue stream to pay the money back. He didn't have a revenue stream. He asked if he could get it now and build it in a little at a time. It was just a misunderstanding of what we did with the Highway Department.

**Roy Buskirk:** In past years, Bill, we have paid for capital improvements out of the Council line item part of the time. When we were doing a certain percentage of reduction each year, we would have to pull out the capital expenditures items before we made the percentage reduction. To help assist on the bookkeeping, it was better that we just paid for capital improvement items out of our line item.

**Bill Brown:** Thanks for the clarity.

**Roy Buskirk:** You're welcome. I'll make a motion for the approval of the resolution, 2013-08-15-03, to transfer \$133,715 from the General Fund to the Rainy Day Fund.

**Larry Brown:** Correction, \$123,715. Second.

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

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Tera Klutz:** May I talk a little bit about the budgets? They were due yesterday. The departments submitted them and we do have a few appeals. We are going to be assembling that and getting it to you as soon as possible but I wanted to bring up the Public Defender's Office. The program that they are in that reimburses us 60% of their cost has adopted a new standard. They want to align the standards of a Public Defender and salaries to the Prosecutor's. We have a full-time Prosecutor and we have a part-time Chief Public Defender. Their recommendation is that our part-time Public Defender should be paid 60% of the salary of our full-time Prosecutor. It looks like we are presenting each side fairly. We pay for a Prosecutor and if a defendant doesn't have the means to pay for his own defense, we are required to offer a Public Defender. The request was for 60% of the Prosecutor's salary and that is about a \$2,200 increase for our current Public Defender. A new standard is that the Chief Deputy Public Defender also be paid 60% of what we pay the Chief Deputy Prosecutor. That is newer for us. Previously, our Chief Public Defender was just paid as all of the other Public Defenders. That Chief Deputy is getting about a \$30,000 raise. That is the largest raise, by far, in the whole department. There is only one other person in the Public Defender Department that is affected by this and she is the only full-time Public Defender on our staff. They require that full-time Public Defenders be paid like full-time Prosecuting Attorneys with similar experience and similar duties. We got with Mike McAlexander and Randy Hammond and discussed the duties and similarities and that equaled to about an \$8,000 increase for the only full-time Public Defender that we had. My question is, if that is the only increase that they have in their budget submission, could we consider that as meeting the allocation and not an appeal? In order for us to stay in the Public Defender program, we have to pay our Public Defenders the standards that they adopt. The State will then reimburse us 60% of all of those costs.

**Darren Vogt:** Forty percent.

**Tera Klutz:** Okay, 40%. Thank you.

**Darren Vogt:** Sixty percent would be nice especially since they are changing their standards after we have been in the program. That is the struggle that I have with the State. They are now going to create a standard and you are going to increase our costs.

**Tera Klutz:** In all fairness, we don't have to be a part of this program. They should be allowed to constantly monitor the program to where they think it should be. They don't make us be a part. We can get out of it anytime that we want.

**Roy Buskirk:** But obviously it is financially wise to be in the program because of the reimbursement. I think that reimbursement number depends on how many Counties apply for the funds that are available. I think the percentage changes.

**Darren Vogt:** It is a max of 40%.

**Roy Buskirk:** Oh, it is a max of 40%.

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Tera Klutz:** Yes, it is a max of 40% and the State has been funding right at that.

**Roy Buskirk:** I know a couple of surrounding Counties, last year, had never heard about it.

**Tera Klutz:** A lot of them don't want to hire a new one and it still costs them money to get into the program.

**Tom Harris:** A question that I have is why 60%?

**Tera Klutz:** It is a statute, an Indiana statute about Prosecutors.

**Tom Harris:** And they decided 60% was the number.

**Tera Klutz:** Right.

**Tom Harris:** Our Public Defender is working in a way that 60% makes sense?

**Tera Klutz:** I can't answer the percentages about how they were selected in statute however those are the percentages for the Prosecutor. If you are an elected full-time Prosecutor, the State pays the salary at \$130,000 and we supplement \$5,000. If she was to have a private practice, she would only make 60% of that \$130,000. Because our Chief Public Defender is not a full-time Chief Public Defender and maintains a private practice, he will only get the 60%.

**Tom Harris:** So I guess the question is that in this case it is an \$8,000 raise, is there something in addition that he is going to do?

**Tera Klutz:** He will receive a \$2,000 raise.

**Tom Harris:** But yet still have a practice on his own, right?

**Tera Klutz:** Correct.

**Darren Vogt:** Let me put a big bow on this. What Tera is asking us, is do we consider this an appeal or not an appeal and do we increase their allocation because of it and knowing that this is a 40% reimbursement we would have to get out of the program and take over all of the costs. We worked hard to get into the program and that revenue that we take would be a huge significant hit to the rest of the General Fund. My personal opinion is that this is not an appeal process but is keeping us current with the program that we are already involved in. We adjust their allocation and move on.

**Tom Harris:** I would agree with that but I think it is intriguing to me that when the grants and programs come our way, they lure you in and then they begin to increase things and let you pay for those increases at the local level. That just needs to be thought through when we get into these programs.

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Roy Buskirk:** Tera, how much reimbursement do we get? Can you tell what the dollar amount was for last year? I know what you are saying, Tom, and that is how many programs operate. After they get you on it, they discontinue the grant.

**Tom Harris:** They are paying less and the cost shifting to the local. We have seen that and experienced it and it continues.

**Tera Klutz:** We budget about \$1 million a year for reimbursement.

**Darren Vogt:** Think of it this way, we would be paying an additional...

**Tera Klutz:** And I want to clarify that this is not a grant. This body, at some point, decided that we wanted to represent the defendant as well as we can or at least give them do process. That was the decision then as far as hiring enough Public Defenders to handle the caseloads in the County. I think it says that if you have a Public Defender, they can only have this many caseloads. Maybe in another County they say that they are only going to have two Public Defenders and that's all they are going to have. They may have thousands and thousands of caseloads but that is all they are spending to it. The Fiscal Body made a decision to adhere to some kind of manageable caseload standards. Then they felt like it wasn't a waste of time for the Public Defenders to go out and represent these defendants. That was the decision that was made to be a part of this program. That is the decision that you would decide against to get out of this program. It's not a grant.

**Darren Vogt:** Right now, the financial decision still makes pretty good sense unless we completely overhauled the program and I don't see that as something on the horizon right now. Is there consensus that it is not an appeal but just an adjustment to follow the program?

**Roy Buskirk:** Yes.

**Bill Brown:** Yes.

**Darren Vogt:** Tera, are you clear on that now?

**Tera Klutz:** Yes, thank you.

**Darren Vogt:** With that, are there any recent or upcoming meetings? I know we have the County Nights Out and that they have been sent to you.

**Roy Buskirk:** Commissioner's Nights.

**Darren Vogt:** County, we have all been invited to participate as well. Are there any liaison reports? Are there any comments from the public? Now that we know the appeals are back and you will have those to us sometime soon, Council, be prepared to have discussions with your departments based on those appeals.

ALLEN COUNTY COUNCIL MEETING MINUTES

**Tom Harris:** Approval to waive the reading on any matter approved today for which it may be deemed necessary for the County Council meeting of August 15, 2013.

**Larry Brown:** Second.

**Darren Vogt :** All in favor please signify by saying aye. The motion passes 7-0.

**Roy Buskirk:** Move to adjourn.

**Bob Armstrong:** Second.

**Darren Vogt :** 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 9:53.