ALLEN COUNTY COUNCIL MEETING MINUTES
FEBRUARY 19, 2015
8:30 AM

The Allen County Council met on Thursday, February 19, 2015 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, Joel M. Benz, Larry L. Brown, William E. Brown, Roy A. Buskirk, Tom A. Harris and Sharon L. Tucker.

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

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

Tom Harris: We will start this morning's meeting with the approval of the January 15th meeting minutes. Are there any additions or corrections?

Roy Buskirk: Move to approve the minutes from January 15, 2015.

Larry Brown: Second.

Tom Harris: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next we will take a look at the financial report. Tera is out.

Nick Jordan: Yes, Tera is absent this morning. Please keep her and her family in your prayers. Her mom is having a pacemaker put in today. Looking at the financial information, we are one month through the year and the miscellaneous revenue is trending ahead of the eight percent. We have received our budget order and we have received the mobile home values from the Assessor and so that starts the process of compiling the abstract. It then goes to the Treasurer for tax bills in April. That is the next step in the tax bill process. I can take any questions you might have.

Tom Harris: Are there any questions on the financial report?

Roy Buskirk: There are a couple of miscellaneous revenue items that come every six months or quarterly and so that is one reason why the January revenue is a little bit higher.

Nick Jordan: The biggest piece of that is the Auditor's portion. Under the Ineligible Homestead Law, we have to rollover any amount over $100,000 remaining in the Fund after all expenses have been paid. That is the biggest portion, as of now.

Tom Harris: Are there any other questions?

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

Sharon Tucker: Second.

Tom Harris: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next is the unemployment rate, Nick.

Nick Jordan: Council, you see that it is a little bit different set up now at the request of Councilman Harris. You are going to see the Labor Force amount and it is non-seasonally adjusted and also the Employment figures which are non-seasonally adjusted as well. The difference between those is the unemployed. I can answer any questions and I think this still may be tweaked going forward.

Tom Harris: One of the questions came up about the accuracy of the unemployment rate. That has been questioned and we have been looking at it for the last four years. Is the accuracy improved with looking at these two numbers?

Nick Jordan: I don't know that it is going to be improved because all these numbers are is the data behind that percentage that I used to give you. This just simply tells you that there is 180,000 some people in the labor force for Allen County and how many is employed. There is no difference in the detail.

Tom Harris: They a raw numbers that fed into the percentage.

Nick Jordan: This is the Bureau of Labor Statistics reports. If that information is inaccurate, it will still be inaccurate with these figures.

Bill Brown: Just curiosity, why did we eliminate the percentages? I can see maybe adding these figures but why did we eliminate the percentages?

Tom Harris: Just simply, one of the concerns was that we were trying to watch that four years ago the unemployment was 10.6% and that number got down to five and now it is actually just below five. There was no heavy thought on that Bill other than just coming up with focusing on the labor force as it becomes important for us in the County. As you get below five percent, experts tell us that it is full employment and the next thing that becomes important is the total labor force.

Bill Brown: I guess I would advocate that we put the percentages back in so that we can see the variance. It seems that a percentage will tell you that five is a good number and ten isn't a good number. Adding these gross figures in, I have no problem with it but it is not very meaningful. I don't know what the other folks think.

Tom Harris: We can simply add that back in and maybe leave this in as well. It is important for us, as Council, to understand what that total labor force is for the County because if we are going to be looking at potentially large employers coming in, they are going to look at what the labor force is in this area. Nick, can you make that adjustment?

Nick Jordan: Yes.

Tom Harris: Are there any other thoughts on that?

Roy Buskirk: I would second that, Bill. I appreciate being able to compare Allen County to the State and to the Nation.

Bill Brown: So to be clear, if there is a percentage, if it is five percent that would mean of the labor force we would have five percent of the 181,248. Is that correct?

Nick Jordan: Yes, for example, you see 181,000 in December and 171,000 employed and so that 10,000 difference is going to be the 5.3% of unemployed. If you are going to put all of the States back on there, it will be a little bit larger on the page than what it was before. We can do that but I am just making sure that is what you want.

Tom Harris: We can manipulate that.

Roy Buskirk: Just Indiana.

Nick Jordan: I just wanted to make sure you didn't want the other States that were on there.

Roy Buskirk: No.

Sharon Tucker: You don't want the percentages for the other States to tell how we compare?

Roy Buskirk: Before, we had the National and Indiana's unemployment rate and Allen County.

Nick Jordan: You also had Illinois, Michigan and Ohio.

Roy Buskirk: Oh, we did.

Tom Harris: We will work through that. It is not too big and we can manipulate how it lines up in the agenda. Today we are looking at total appropriations in the General Fund of $227,426 and $8,232,804 in other funds. First up, we have the Sheriff in regards to some capital requests.

Dave Gladieux: Dave Gladieux, Sheriff of Allen County.

Brad Kohrman: Brad Kohrman, Deputy Chief of Administration.

Dave Gladieux: You have in front of you a request for $150,000 for vehicles. If you remember correctly, last year we were asked to provide you with information for the additional $100,000. I tacked on the additional $50,000 for some incidentals such as a totaled van and things like that. I will say that at this time I would like to remove the $50,000. We will make other arrangements somehow. I would like to go back to the original $100,000 agreement that we had. I will tell you ahead of time that eventually what I would like to see or request is across the board $400,000 line item and you and I don't need to talk anymore about vehicles for quite some time. I think through some legislation that is going on down State, I know I talked to Tom and Bill about some of the legislation that is very positive not just for our community but all of the Counties Statewide. There are some possible funds coming up. Increases in some of our revenue and so I think we will just hold off on the $50,000 and will re-address it later on. Do you have any arguments with me decreasing what I am asking for?

Tom Harris: Are there any questions?

Roy Buskirk: I do. On the mileage information that you provided and I appreciate, you have Reservists and they show no off-duty mileage. Are they leaving their vehicles, at some point?

Dave Gladieux: Those vehicles are parked in the driveways of the officers that they are assigned to. The Reserves that use those vehicles for road patrol go to their house and pick up the car. We have no place to store those cars. They are simply just sitting there.

Roy Buskirk: But that is not true with all Reserves Officers.

Dave Gladieux: With their vehicles, it is. They only have five or six vehicles.

Brad Kohrman: Six vehicles and five motorcycles.

Dave Gladieux: Seven motorcycles.

Roy Buskirk: There is a Reserve Officer that lives about a half a mile from me and he has a vehicle sitting in his drive all the time.

Dave Gladieux: Right. He is the one that has been assigned that vehicle. I don't know who that might be but I think you live southwest and that might be a Sergeant or Lieutenant in that organization. There has to be a home for that vehicle. The Officers that work road patrol with that vehicle, it is shared. It is not his.

Tom Harris: Roy, they are saying that when they are not using it, the car is sitting at their house.

Dave Gladieux: They are assigned it and have to take care of it. They have to keep track of everything it needs in regards to maintenance and things like that. It is shared with the other Officers in the Traffic Division.

Roy Buskirk: I guess I can see where there are no off-duty miles because their home is the home base for that vehicle.

Dave Gladieux: Right.

Tom Harris: How often is that updated, by the way? We are seeing mileage on there. Is that a monthly thing?

Dave Gladieux: It was a request from former Councilman Vogt to do a mileage survey. The quickest way to get those figures to you and it is going to be an average, was a one month survey for the whole department including the Reserves. We did one month and multiplied it by twelve and that is your average.

Tom Harris: I didn't know if you were doing that on a regular basis with the mileage taking them home or off-duty is how it is recorded in here. I didn't know if you were doing it on a monthly basis or a regular basis but you don't.

Dave Gladieux: No.

Brad Kohrman: It was pretty cumbersome because there is no way to do it through the computer. It had to be manually done. It took a lot of time to do that for a month.

Tom Harris: Sharon.

Sharon Tucker: I found it curious that there was an off-duty mileage that was more than on-duty mileage. You are saying that it is just an average of what you took for that vehicle.

Dave Gladieux: Yes. There may be a month that it is not used off-duty. I just picked the first full month after the request and that is how I did it to get you the information as quick as I could. Former Councilman Vogt was leaving office and I thought he would want it as quickly as I could get it. As far as taking mileage surveys every day, I am not interested in doing that. I can't ask my guys to sit there and do that stuff. Until a computer can do it for them, they have other things to worry about.

Bob Armstrong: Can we do that with Spillman?

Dave Gladieux: No.

Bob Armstrong: There is not a program for that?

Dave Gladieux: No.

Tom Harris: Are there other questions? If not, the Sheriff has made an adjustment to the request from $150,000 to $100,000.

Bill Brown: I would like to make a motion for the reduction of $100,000 from County Council Other Capital and an appropriation of $100,000 in the General Fund Sheriff's Dept Budget for Vehicles. Are we doing Commissary with that also?

Tom Harris: No, we will split that out.

Bob Armstrong: Second.

Tom Harris: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next is the Commissary Part-time.

Dave Gladieux: Every year we take the money from Commissary to the General Fund and it has to be appropriated to pay for the part-time employees.

Roy Buskirk: And this is a part-time employee for the Commissary.

Dave Gladieux: There are probably six part-timers that come in for a couple of hours to sort the orders and we pay for that out of Commissary.

Roy Buskirk: The numbers that you provided us showed that you had a beginning balance and for me to look at this, it is the easiest way to look at the financial strength of the Commissary. At the beginning of 2014, you had $350,000 and then at the beginning of 2015, you had $480,000. We can see that the Commissary carries a balance that would be sufficient to cover the $35,000.

Dave Gladieux: Absolutely. I think you guys get updated bi-annually, correct?

Roy Buskirk: Yes.

Dave Gladieux: I can tell you that so far I have spent probably $130,000 out of Commissary for various things that I didn't have to come to you for. The Taser program, they are a necessary evil and if I do away with them and don't replace them, then I will be asked why we didn't taser somebody when we should have. It's kind of like this business is getting very expensive. With computers and tasers and cameras and body cams will be the next thing. The national media is talking about it and everyone is wondering why we aren't wearing body cams. I spent $80,000 to replace the tasers that are five years old. They are no longer under warranty and they are starting to fail. I just want you to know that there are constant costs that we are taking care of out of Commissary. The number that you have is a little less than what it indicates.

Tom Harris: Councilman Armstrong.

Bob Armstrong: Back in December or January, there was conversation about building a new canine building. Where are we at on that?

Dave Gladieux: I have meetings scheduled here, I don't know if you remember me saying that I wanted to get a public/private partnership rather than using taxpayer funds or relying completely on donations. Things are looking pretty positive. Today, I contacted Design Collaborative who is to design the facility. It has kind of been on the back burner but we are to meet today. That is how positive I think this next meeting is going to go. I will get a business plan written up to do a presentation to a couple of individuals in the community and things are looking really good. I will keep you informed.

Bob Armstrong: Will that be at Adams Center?

Dave Gladieux: Yes, that land is paid for and we may as well use it. That's the plan.

Bob Armstrong: Okay, thanks.

Tom Harris: Are there any other questions?

Roy Buskirk: I will make a motion to approve the Part-Time Commissary for $35,000.

Bob Armstrong: Second.

Tom Harris: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next is the Pension and Supplemental Benefits Trust Amendments. I had an opportunity to talk to the Sheriff and Counsel as both Bill and I met with him last week. Some adjustments need to be made in the pension plan.

Spencer Feighner: Good morning, Spencer Feighner, Assistant Allen County Attorney. I think all of you should have copies of the proposed amendments. This was brought to us and drafted by One America, the plan administrator. There are a couple of revisions that I will touch on that just bring it out of conflict with Indiana and Federal law. We had a couple of issues dating back to the 1980's that had never been an issue but in reviewing the plan they needed to make a couple of changes. The first proposed addition is Section 1.24. The plan used to define what a spouse or surviving spouse was and this simplifies it because Federal law has changed it to refer back to Federal law. It is just a formatting issue. Section 8.02 adds Part B. What the change that we will touch on in a second, Section 9, the plan that was written previously allowed for the distribution to be made to the spouse and the actual Officer in the instance of divorce. It would go through a process called a QDRO, Qualified Domestic Relations Order. That is not allowed under the lions' share, if not all government plans, including the Allen County Sheriff's Department plan as written by Indiana law. The only distribution that is allowed is what is covered in Part B of Section 8.02 where a participant is allowed to divert some of the funds to purchase a retirement benefit such as an insurance plan. That is the only change in 8.02. The substantive change for the actual Merit Board Plan is in Section 9.01. As previously written, it contemplated allowing the administrator to disburse benefits to the spouse and the actual plan participant in the event of a divorce. That is not permitted under Indiana law. The last couple of sentences are actually where the change is made. Therefore the plan is not subject to domestic relations orders. That is what it is addressing. If an Officer wants to separate those funds at a later date, he is free to do so but Indiana law dictates that the Plan Administrator cannot do that based on any court order or anything like that. That is a substantive change in 9.01. 9.04 has a little tweak to include retired participants if information is sought by the Plan Administrator. The retired participant still needs to provide that information. There is no change to any other issue and as County Council, the fiscal body, it requires your approval but it doesn't influence anything that you would do or any obligation.

Tom Harris: This isn't something that is being done by choice but is being done because it is dictated by State law. This plan has to be amended to ensure that it is following State law.

Spencer Feighner: Correct.

Tom Harris: Council, are there any questions?

Roy Buskirk: One comment. In the future on something of this type, if we could have underlined what the changes are.

Spencer Feighner: Sure, I would be happy to.

Sharon Tucker: That was my question too. I agree with you.

Dave Gladieux: Maybe send a red-lined copy.

Spencer Feighner: Happy to.

Bob Armstrong: Really this was just verbiage cleanup.

Spencer Feighner: Absolutely.

Bob Armstrong: Do we have to make a motion?

Nick Jordan: Yes but Tom is the only one who has to sign.

Tom Harris: So we need a motion that would amend the pension plan.

Spencer Feighner: Correct. It was presented to the Merit Board earlier this month and they approved it and now you need to approve it.

Roy Buskirk: I will make a motion to approve the changes in the Pension and Supplemental Benefits Trust.

Bob Armstrong: Second.

Tom Harris: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next up is the Building Department.

Dave Fuller: Dave Fuller, Allen County Building Commissioner.

Tracy Mitchener: Tracy Mitchener, Assistant Human Resources Director. This is our new Compensation Specialist, Dawn Kennedy.

Dawn Kennedy: Nice to meet you.

Tom Harris: Welcome.

Dave Fuller: I am here today to request an appropriation and a salary ordinance for a new position. This has been presented to the Personnel Committee and been approved through them. We actually had a similar position until 2003. The position will be for a Minimum Housing/Property Maintenance Inspector. In 2003 it was simply a Minimum Housing Inspector. We have had a minimum housing ordinance in Allen County for about 25 years. About six months ago, the Commissioners approached us based on some new record keeping and some increase in complaints related to property maintenance and they asked us to look at the possibility of changing or modifying a salary ordinance for Property Maintenance. This primarily comes out of the issue of as we continue to develop in Allen County further and further into the unincorporated area. We are having a lot of subdivisions that we didn't have ten years ago or twenty years ago. Property maintenance has become more and more of an issue as it relates to neighbors' property values. In the City of Fort Wayne, Neighborhood Code has had that kind of ordinance for a number of years and they have an entire division that handles that. Up to this point our answer has been that we have no Property Maintenance code in Allen County and therefore we are not able to help the constituents that call and complain about the maintenance issues. The minimum housing issues have been covered after we eliminated that inspector in 2003. They have been covered by our Residential Inspectors. We still handled those things through our existing staff. With technology changes and a number of other efficiency changes we have gone from 26 Inspectors in 2002 to 17 Inspectors now. Part of the reduction of those people is that during the recession we simply didn't replace people that retired. For the most part, the reductions have been because we have become more efficient than we used to be. We are at the point now, where the recession recovery is taking place, it is getting harder and harder to cover those inspections through our existing staff when they come in to satisfy the complaints that we are getting.

Included in the documents that you have a sheet that has a couple of comparisons for your information. In the pre-recession period of 2007, we did 35,946 inspections and that was the most we have done since keeping records starting in 2002. We dropped some during the recession and in 2012, which I am calling post-recession, we were already back up to 38,000 and that was more than we had ever done in the past. In 2014 we did 43,000 inspections. We are doing more with less people and it is getting to the point where it is getting harder and harder for us to cover the work that our contractors are asking us to do and which is our primary responsibility. Adding an additional property maintenance code with no staff changes would be a mistake. The property maintenance code is based on the International Codes Council's Property Maintenance Standards. The State of Indiana has never adopted that because they have always looked at property maintenance on a community by community basis. You don't have the same issues in an agricultural community or a small urban community that you do in a large city like Fort Wayne. It is based on standards that have been accepted nationally for years. We have tweaked it because Allen County has a lot of agricultural area and we do have some agricultural exemptions in that code. It is geared more towards subdivisions and more developed areas to try to help complainants with property maintenance issues that are affecting their home values. We have already gone through the public comment period with the draft ordinance. We have had the legal review. The Commissioners have approved the draft as it is informally. We didn't want to go to the Commissioners legislatively and ask them to approve the ordinance unless we had the staff to be able to enforce that ordinance. That is what we are here to do today.

Tom Harris: Thank you. Initially I am trying to get a better understanding of is this happening because of the new ordinances that are being passed or is it happening as a result of the economy improving and you are short staffed and needing to increase? Which one is playing into that?

Dave Fuller: I think it is happening primarily because the economy is getting more robust. We are seeing a difference, for one thing, in the way that projects are being done. Ten years ago, most projects would be one permit and if they were doing a framing inspection, for instance, they would have to have all of the framing done in the entire building and we would go out and do one inspection. That is the way that our fee schedule was based. We are now getting, very routinely, on projects and even small projects contractors and owners wanting to phase things in. So now instead of doing a 6,000 square foot area, say a remodel on a business where they are closing down a business and we are spending six weeks doing it, now they want to stay open that whole time and we are doing sections at a time. That is increasing the number of inspections and trips that we are making out. It may not necessarily increase, and I think the numbers show it, that we are not increasing the overall number of permits that are being issued. The way that they are being phased in is considerably different and affects our inspection count. That is competitiveness for contractors. If they are going to get jobs, they have to do what the owners want them to do. We are trying to accommodate that.

Tom Harris: Councilman Brown.

Larry Brown: Two things, first of all, the figures you were citing I think you said they were furnished to us. We don't have them.

Nick Jordan: They were furnished at the end of January or the beginning of February. Mary sent those out with the Personnel Committee packet.

Larry Brown: Okay.

Nick Jordan: Similar to the past, we don't put the whole personnel packet in the Council packet. We can if you would like but it is going to make it bigger. Mary did send those out at the beginning of February.

Larry Brown: With regard to the phasing, don't you have a board meeting coming up pretty soon?

Dave Fuller: Tonight. It is an organization meeting. There is nothing on the agenda other than their annual organizational meeting.

Larry Brown: Is your Board going to consider reviewing permitting in regard to phasing? I know exactly what you are talking about. I know firsthand and there is an increased cost. I personally think your Board needs to review that.

Dave Fuller: And that is not on an agenda but we can bring it up tonight.

Roy Buskirk: I thought there was a trip charge. You have the inspection fee charge and I thought there was a trip charge.

Dave Fuller: We have actually built it into the original permit cost. If there are going to be multiple phases, they pay by the phase. We don't charge the same amount if there is one phase versus ten phases. They pay for each of those extra phases to cover those trip costs. It is very, very difficult, from an accounting standpoint to keep track of every time that we go out to remember to charge them $30 and record all of that. We built that into the upfront cost to the permit and it does increase the cost to the builder.

Tom Harris: Councilman Brown.

Bill Brown: I guess I wanted to reiterate that this is a great example of the Allen County Building Department being responsive to the business community and the contractors and all of those involved in this whole economic development process and it is a key element. We need to emphasize that this is a great example and is appreciated by the business community.

Tom Harris: Councilman Benz.

Joel Benz: I may have missed it. You said that some of your people had retired and in 2003 we had this position filled. What happened that it went away?

Dave Fuller: In December of 2002 we put in our automated computer system. The previous process had been that we had a dispatcher and inspectors would come into the office first thing in the morning and they would get the list from the dispatcher of any inspections that had come in. They would start with the list of where they were going to go through the day. All through the day, as new inspections were called in, she would get on the radio and call them for whatever territory and type of inspection and add that to their list. Starting with the automated system in December of 2002, all of that is automatically downloaded to the computer in the car. They no longer had to come into the office. They can download while they are having breakfast and be on the first jobsite at 8:00 instead of coming into the office and being at the jobsite at 9:00 or 9:15. It improved efficiency by cutting about an hour and a half of wasted time plus the mileage of driving into the office. That increased by itself with the inspectors the number of inspections that they were able to get done. Quite frankly, we were overstaffed at the time. We had a Minimum Housing Inspector and a Sign Inspector. We had a Chief Inspector that was in between the Assistant Commissioner and the Senior Inspectors. In 2003, we eliminated three positions right off the bat. We still did more inspections than we had ever done before. Since then we have tweaked that system and tweaked what we were doing organizationally. We got down to about eighteen Inspectors when the recession hit. During the recession period, we had one person leave on long term disability and another person retired. We did not replace those people. While we had the positions, we did not have people in them. We knew we didn't need them because we didn't have as much work. We replaced one of those positions in 2012 and we are back up to seventeen. Another position was eliminated. We are now at a point where over the three years since the recovery started, we are realizing that the inspections continue to go up and there are only so many hours in a day short of the inspectors working overtime. Last year we exceeded our overtime budget significantly and had to draw money from other places. This is a position that will take care of all of the complaints. Unfortunately you don't have this but the comparison table also shows our complaint history and we started recording this in 2012.We received 553 property maintenance minimum housing complaints in 2012. This last year it was up to 635. So that is continuing. All of those are outside Fort Wayne city limits. Anything inside Fort Wayne city limits automatically gets referred to Neighborhood Code. As that continues to go up, it takes the time for the Residential Inspector to investigate and follow through on those complaint inspections.

Joel Benz: Okay, so he would also be able to do a dual role if he wasn't doing that? He could do some regular inspections?

Dave Fuller: We are going to cross train as we have with all of our people to do other things. His primary role will be to handle all of those. With minimum housing and if the property maintenance code goes through, there are a lot of legal things that get involved. You have to send out notices, there are administrative hearings and those can be appealed to Superior Courts. There is a lot of detail that needs to be followed up as well as all of the investigation in the field.

Joel Benz: Thank you.

Tom Harris: A question on the Housing Inspector position. Is this a new position in terms of a new job description or you already have one and we are simply adding another one?

Dave Fuller: This Minimum Housing-Property Maintenance is a new position with a new job description. It is completely different from anything that we have had and it is based on getting this ordinance approved.

Tom Harris: Okay. Are there any other questions? Sharon.

Sharon Tucker: Just making sure that I understand. This is self-funded?

Dave Fuller: Yes, the Building Department is self-funded. We bring in an average of $200,000 to $250,000 a year more than our budget.

Tom Harris: Very good. Bob.

Bob Armstrong: Do we have a job description or anything on this new position?

Dave Fuller: Yes we do.

Tracy Mitchener: It was sent with the Personnel Committee information.

Tom Harris: Are there any other questions or comments? If not, I look for any action that Council would like to take.

Roy Buskirk: I will make a motion to approve the Building Department's request for the Property Maintenance Minimum Housing Inspector in the amount of $42,426.

Larry Brown: Second.

Tom Harris: Are there any further comments? All in favor signify by saying aye, opposed, same sign. The motion passes 6-1 (Armstrong).

Bob Armstrong: So we are voting on the new position? We are not voting on the funding for the position.

Tom Harris: Actually we are voting on the funding first.

Bill Brown: I will make a motion for the consideration of a salary ordinance establishing the pay for an employee within the budget of the Allen County Building Department, 100-2901-424, Property Maintenance-Minimum Housing Inspector, 13-42, PAT 3/2 and a salary of $37,662.

Larry Brown: Second.

Tom Harris: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 6-1 (Armstrong). Next on the agenda is the Department of Planning Services.

Mark Royse: Good morning, Mark Royse, Director of Redevelopment Department of Planning Services. First I want to apologize for these appropriations even being before you this morning. They were all prepared in budget form as part of what should have been presented in the budget last fall. Through that oversight I will take full responsibility for that. We have eighteen funds that we administer. There was a disconnect between the staff that prepared the budget and the person submitting to the Auditor's Office. Kim Bowman, the Executive Director of the department and I have taken internal steps to ensure that this snafu does not happen again. I would be willing to go through the particulars of each and every one of these funds or if there are ones that you have a specific interest in. It's up to you.

Tom Harris: Again, Council, this is something that should have been in the annual budget and was simply missed. There is nothing new in here or anything that has been changed. Councilman Armstrong.

Bob Armstrong: So we are just talking about these five?

Tom Harris: Eight.

Nick Jordan: Items one through eleven. There are eight funds.

Tom Harris: So with that are there any questions?

Roy Buskirk: I just want to make a comment. There is a lot of talk about TIF Funds and the boundaries of TIF areas. I also serve on the Redevelopment Commission as the appointment from this Council. This is one thing that the Redevelopment Commission looks at as far as the TIF areas to have enough funding or are generating more than what is necessary. We are very concerned that the TIF Funds are taking funds away from school corporations and libraries and everybody else. Rest assured that I take a lot of responsibility, personally, that we collect no more funds than what is necessary. The funds are used for improvements in each of these areas through utilities or roads or something of that type in which we have to get bonds. These funds are collected and made for bond payments. If there are no further questions, I will make a motion to approve the adjustments to the fund amounts presented for appropriation of items one through eleven.

Bob Armstrong: Second.

Tom Harris: Are there any further questions?

Larry Brown: I have a comment. Roy, I do appreciate your due diligence there as our representative so that these TIF Districts don't expand like one of our neighboring governmental bodies tends to do to take on other projects other than the initial scope was when the TIF District was created.

Tom Harris: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next up is the Commissioners.

Chris Cloud: Good morning, Council, Chris Cloud of the Commissioners' Office.

Dawn Rose: Dawn Rose, Commissioners' Office.

Chris Cloud: What we have for you today is a relatively minor financial thing in the grand scheme of the County budget. When an employee is on the payroll grid and they come upon their employment anniversary, the practice now is to increase to their new amount at the start of the next pay period. The proposal for you today is to start it on their anniversary date. So for instance, I am on the grid and my anniversary date happened at the very beginning of the payroll period, there is two weeks that I don't get to capture that increased pay. I think it amounts to $8,600 this year for all of the employees whose steps would occur this year. It is really more of an employee centered mindset of "hey this is a nice thing to do".

Tom Harris: Chris, I think as we talked briefly, I think you had left a message that this is also the result of improved software. In the old days, when someone's increase happened, they had to wait until the paperwork caught up to pay them on the next paycheck. In this case, the software allows this person to be paid immediately on the next paycheck.

Chris Cloud: Sure. In the old days when we were calculating payroll by hand trying to connect two different rates could be very difficult. As we have progressed with technology and software can have two rates in there and handles it a little better. The administrative side is much easier than it would have been in the old days when trying to do this all by hand. This is something that has been made much easier by technology.

Tom Harris: Council, questions or comments?

Bob Armstrong: Why are we retroacting this back to December 13, 2014?

Chris Cloud: That is the first pay period of 2015.

Roy Buskirk: My question is for Jackie. Do you see any problem with this?

Jackie Scheuman: No problem at all.

Roy Buskirk: For those that don't know, Jackie is the one that takes care of the County payroll.

Tom Harris: Are there any other thoughts or comments?

Joel Benz: Are you aware of any private entities that do this? Is that common practice?

Chris Cloud: Having only worked in the private sector at two different places, I can't tell you.

Dawn Rose: I would say that the majority of the time you get your pay increase on your anniversary date. They don't hold it off until the next pay period.

Tom Harris: Joel, I can probably answer that. It is common practice and particularly something that is software improved. The payroll systems can be more up to date. Councilman Brown.

Bill Brown: I will make a motion to amend the salary ordinance for all classified employees to have their step increases be effective on their anniversary date instead of on the first day of the pay period following their anniversary date.

Roy Buskirk: Second.

Bill Brown: Excuse me, retroactive to December 13, 2014.

Tom Harris: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next item on the agenda is the Highway Department.

Kim Yagodinski: Good morning, Council, Kim Yagodinski, Finance and Personnel Manager for the Highway Department.

Bill Hartman: Bill Hartman, Director of the Allen County Highway Department.

Todd Graft: Todd Graft, Fleet Administrator.

Kim Yagodinski: The first thing that we have on the agenda is funds in MVH which is Fund 250. This is our rollover money from 2014. We are asking to have that money appropriated. In 2014, when we came, the amount was almost exactly the same. This is money that is not spent in our budget in lines such as salaries or other expenses that we set aside. Whatever money is left at the end of the year rolls over into cash. We try to come back and have that appropriated into a project then. This year we are asking for $100,000 for our building fund. This is in anticipation of possibly constructing a salt building in the northeast corner of the County to help with distributing salt and sand during snowplowing events. The $1,508,858 is an appropriation for Bass Road. It is a continuing effort where we are trying to put dollars towards that project. We look for it to be bid in the summer of next year and these are dollars that are needed in that area and we are trying to grow that fund so we can anticipate that construction cost.

Tom Harris: Kim, just a quick question. You mentioned in regards to the building fund to "possibly" build. We want to understand that you are planning to build that building.

Bill Hartman: Yes we are. That will be at Deer Run off of State Road 101.

Tom Harris: Why the possibly?

Kim Yagodinski: Because of the permitting process. Until we have the funds in place, we didn't want to jump ahead and get the permit and so forth to be able to do that. If all of that falls into place, as we assume it will, we will be able to build that building.

Tom Harris: Council, any questions?

Roy Buskirk: You spoke of this as being rollover funds.

Kim Yagodinski: That's correct.

Roy Buskirk: That is not part of…

Nick Jordan: This is Fund 250. This is the Highway Fund and not the General Fund.

Roy Buskirk: It is not part of the General Fund rollover. Okay. Because of that then this is one of those cases where the money has been used for engineering on the Bass Road?

Kim Yagodinski: It is not. That money is in CEDIT and we use that which comes back in reimbursement. This is additional money that we don't have available in CEDIT and is another fund that we could use those dollars for. It is possible that once we spend some of these dollars, we will be getting some of those back. If we spend it on the construction, however, that is just a 20% upfront cost and there is no reimbursement on that. We are trying to anticipate that and we don't think we will have quite enough in CEDIT and so we want to set aside some other funds as well.

Roy Buskirk: Okay. Just so people understand, this fund is from the State Gasoline Tax Revenue.

Kim Yagodinski: That is correct.

Roy Buskirk: This is where those funds come from.

Kim Yagodinski: Some of the rollover money that has come back this year, we got some FEMA reimbursement from last year's snow money. That amounted to $66,481 and so that money is in here. There was additional interest that came on our funds that we weren't anticipating. My budget number was a little low on that revenue and that was an additional $20,000. We had some rollover in salaries. We had a lot of retirements last year with the changes in PERF. There were some dollars left on the table as we hired new employees that were at a lower rate. That amounted to $581,000. That also included the PERF, FICA and all of those things. A lot of those people left and we didn't have replacements ready to go into place on the day that they left and so you had a period of time while we were recruiting and hiring new employees. We had some cost sharing money that we had talked about last November. Our 60/40 program on asphalt and we had $243,620 come back from that. Those are things that we can't necessarily budget for in our revenue but ending up coming in cash and aren't appropriated at this time. That is why we are coming for the appropriation now.

Tom Harris: Councilman Armstrong.

Bob Armstrong: I would like to make a motion to approve the appropriation in the MVH Fund 250 for Building at $100,000 and for Bass Road at $1,508,858.

Sharon Tucker: I second that.

Tom Harris: Are there any further comments?

Bill Brown: I would like to talk about the $100,000. We met last week and you mentioned that there was a significant cost savings because of the proximity of having a northeast barn.

Bill Hartman: It will save quite a lot of turnaround in labor, time and fuel in order to re-supply trucks with sand and salt in the northeast. Right now we have salt storage on Tillman Road and Carroll Road and also out on Smith Road. This will be the last link in the chain to have a northeast quadrant salt storage.

Bill Brown: So one could speculate that over time would save money and more.

Bill Hartman: Yes, sir.

Bill Brown: How does that integrate into, I know there is a relationship with Parks and obviously this is the Commissioners' decision.

Bill Hartman: We have met with Jeff Baxter and he has assured us that his Board is fine with us building it at the site and currently the Commissioners own that property. We have gotten the go-ahead from both the Parks and the Commissioners.

Bill Brown: So it is a win, win, win.

Bill Hartman: Yes, sir.

Bill Brown: Very good.

Tom Harris: Councilman Armstrong.

Bob Armstrong: The benefit is you don't have to deadhead if you are all the way out in Grabill and in a storm. You would have to deadhead back to Carroll Road and this will save a lot of time and it will become a safety issue because when you pull the truck out of that route, there is nobody in that route. The time in the turnaround time of getting loaded and back out is a win-win for everybody.

Bill Brown: Great move on the Highway Department.

Tom Harris: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. The next is item number three.

Kim Yagodinski: This is the appropriation that Roy was talking about. This is the appropriation of reimbursed money in the CEDIT Fund. At the end of the calendar year, we came in November and we had some money appropriated but we had some other reimbursements come in. The reimbursements total $916,158 and that is what we are asking for. Out of that money that has come back, $726,470 was from Bass Road. We have been purchasing right-of-way for that project and a large part of that is all right-of-way reimbursement. We need to have that money appropriated so we have it in place for the 2016 construction.

Tom Harris: Any questions or comments? Council, the resolution that is listed below number three actually goes with number 4. Is there any other discussion on the appropriation in the CEDIT Fund?

Bob Armstrong: I will make a motion for the appropriation in CEDIT Fund 329 for Bass Road in the amount of $916,158.

Larry Brown: Second.

Tom Harris: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next is the resolution for the Rainy Day Fund.

Kim Yagodinski: Nick did you want to cover that or do you want me to?

Nick Jordan: I can answer any questions but we have discussed this before. This is similar to what we did back in 2011. The Highway Department borrowed some funds to replace ten trucks. They are looking to do that again and repay it over five years starting in 2016. This is to the tune of $1.7 million.

Tom Harris: With that Council, any questions or comments? Councilman Brown.

Bill Brown: We had a meeting with Highway and in my mind this is a great example of using available resources. While it may not be exactly in the right fund at this point, it is definitely money that is available and it has been done before and so a precedent has been set. Sharon and I met with them and how they are being proactive trying to get equipment where you have interchangeable stainless steel beds. They have ten now and are going to go for ten more and maintaining the same price from 2012. I think this is just an example of all of the things that we are asking our departments and Elected Officials to do in being responsible of the taxpayer money. I wholeheartedly support the initiative.

Tom Harris: Sharon.

Sharon Tucker: When we met, one of the things I expressed to them was I like what they are doing. I think the proactive approach is really good. My only concern, which I shared with them, is how we break the cycle of always borrowing and paying back out of the Rainy Day Fund in case the Rainy Day Fund is not available to the degree that it is available now. That is something that we talked about when looking at options to break that cycle.

Tom Harris: And Kim or Bill, maybe with that if the situation came up in the next three years that you needed to come up with those funds to be able to pay the Rainy Day Fund back for Council to use the Rainy Day for another issue that came up, could that be done?

Kim Yagodinski: Yes, we talked to the Commissioners about that and they assured us that if we did not have the funds available in the Highway Department, they would dedicate CEDIT funds to back that up.

Tom Harris: Okay.

Bob Armstrong: Are we using the specs from the 2012 order for this order? Have the specs been re-written or changed in any way?

Kim Yagodinski: No. The trucks are the same except for the exhaust system. That had to be updated per the vendor that we have been getting quotes from. Other than that the trucks are identical. They would be able to hook up to our current plows without modification. Maintenance would be the same. Interchangeable parts would all be the same as our 2013 models. These would be 2016 models.

Tom Harris: Councilman Tucker.

Sharon Tucker: Isn't it true too that they have honored a price lock for us? I think that is worthy to mention.

Kim Yagodinski: They have. We would be using our 2012 bid to purchase these trucks.

Tom Harris: Councilman Benz.

Joel Benz: My only comment is that I am disappointed that we weren't able to get the 2015 trucks. That would have been a real benefit, obviously.

Tom Harris: Nick, in terms of the current balance on the Rainy Day Fund, can you help Council with what that current balance is?

Nick Jordan: It is in your packet. It is slightly over $13 million. It is $13.5 million.

Tom Harris: And you are going to have a request coming up momentarily for a certain amount as well.

Nick Jordan: If you look on the left side of the estimate of the financial in your packet, it starts at $13.5 million and we are going to request $6.5 million for the temporary cash flow loan. That would leave $7 million and they are asking for $1.7 million. It would be about $5.3 million left.

Tom Harris: Okay. I just wanted to make that known to Council where we are currently and if both of these motions pass, where we will be. Are there other thoughts or comments?

Bill Brown: I just want to make it abundantly clear that this is a loan and will save the taxpayers over $50,000. Sometimes people think we are taking money out of the Rainy Day Fund and it is being spent when it is being lent. The whole concept of lend it don't spend it is a worthy motto.

Sharon Tucker: And this is payable back over how much time?

Kim Yagodinski: Yes, from 2016 through 2020. We have repaid all of the funds from the previous loan. Actually, the $1.7 million, we may not need the entire amount because we are going to be able to use that previous bid. It will be closer to $1.6 million and so we won't be taking the whole amount.

Tom Harris: Do you want to adjust that number or are you okay with the $1.7 million? Bob.

Bob Armstrong: I would like to make a motion for the appropriation of the Rainy Day Fund for $1.7 million for the purchase of equipment and machinery.

Roy Buskirk: I think it should be changed to a loan.

Nick Jordan: He is doing the appropriation part. We will be doing the resolution here in a second.

Roy Buskirk: Okay. I will second that.

Tom Harris: We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. So now the resolution is before us.

Bill Brown: I will make a motion for the resolution 2015-02-19-02 approving the loan agreement between the Board of Commissioners of the County of Allen on behalf of Allen County Highway Department and Allen County Rainy Day Fund for the amount of $1.7 million.

Bob Armstrong: Second.

Tom Harris: Are there any other concerns?

Sharon Tucker: Just making sure, do we have to have it written or documented that the Commissioners are backing this?

Nick Jordan: Last Friday they approved the loan and there is also a promissory note that is signed by the Commissioners. The Council does not sign it but the Commissioners do sign it.

Sharon Tucker: Okay.

Tom Harris: Very good point. **We have a motion and a second**.

Bill Brown: Just real quick, if I had read the whole thing, there is a section that says "Whereas the Board of Commissioners of the County of Allen through Allen County Highway Department promises to repay the loan from the Allen County Highway Department in equal annual installments over the course of five years."

Tom Harris: It is good to get that into the record. Thank you. **We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.** The next items fall under Discussion and Other Business to Come before Council. Nick is going to present some information but I think first you are going to talk about the transfer of funds or the borrowing of funds.

Nick Jordan: Yes. The first item we have done for at least the last four years that I have been here. It is simply a temporary cash flow loan because our revenue and expenditures are not timed the exact same and property tax, for the biggest part, only comes in at two times through the year. For this year we have anticipated that we will need $6.5 million to make sure that the General Fund stays afloat and doesn't go into the red. In prior years it has been $7 million, $8 million and last year was over $10 million. The General Fund cash balance was a little bit better at the end of 2014 and that is why the need to borrow is lower than it was last year.

Tom Harris: Can you repeat that last one again? Last year was $10 million and we are now dropping to $6.5 million. That is an indication that our strength is a little bit better.

Nick Jordan: Yes because the beginning balance, which would have been at the end of 2013, the General Fund balance was around $6 million at the end of 2013 and at the end of 2014, it is around $10 million. That difference allows us to borrow fewer funds for cash flow purposes.

Tom Harris: With that are there any questions or comments?

Bill Brown: I will make a motion for Resolution 2015-02-19-01, whereas the Allen County Council as the fiscal body of Allen County, has determined the General Fund does not have sufficient cash on hand to fund its ongoing 2015 operations due to the timing of property tax collection and whereas the Allen County Auditor has determined that $6,500,000 is needed to provide positive cash flow for the general operations of Allen County and whereas IC 36-1-8-4 permits the Allen County Council to prescribe an amount to be transferred to the General Fund from another County fund that has sufficient money on deposit that can be made temporarily available and whereas the Allen County Rainy Day Fund has sufficient money on deposit to allow a temporary loan of $6,500,000. Therefore be it resolved that the Allen County Council approves a $6,500,000 temporary loan to be transferred from the Rainy Day Fund to the General Fund. The loan is to be repaid no later than December 31, 2015 in accordance with the provisions of IC 36-1-8-4. This resolution read, considered and adopted by members of the Allen County Council on this 19th day of February, 2015.

Bob Armstrong: Second.

Tom Harris: Any questions? All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next item, Nick is going to present us with a fiscal stress assessment. This is something that the Auditor's Office has been working on. This is, by the way I will jump in quickly, our own assessment of how we stand. This is not what the State says or what anybody else says. This is something that we are doing internally to have a better understanding of our foundation of fiscal stability and strength and such. With that Nick, the floor is yours.

Nick Jordan: I am not going to go through it verbatim. The intent, just to back up what Tom was saying, three years ago Chris Cloud brought it to light that the State of New York was doing this. We used the basis of what the New York State Comptroller Office does for their Counties, Cities, Towns and Schools throughout that State. We took it and put in Allen County's information keeping their indicators that they used as well as the scoring system that they used. As Tom mentioned, this is purely voluntary. Nobody is making us do this. It is for our own purposes. We can change the indicators, the thresholds or whatever we like. I would like to note that the DLGF is going to create ratios that will be on Gateway for the State of Indiana taxing units. I think that comes into place this summer or fall. There will be some information for Indiana units, but not necessarily the exact same as this. We took the approach of breaking it down into two different pieces. Today we are going to just look at the General and COIT Fund portions. That is our main operating fund. We will just call it the General Fund. The other piece is the

Total Governmental Funds. Today we are just doing the General Fund portion and I have separated out the graphs and the summary as it is easier to look at. You have it Bob but it is stapled into your pages. It is the first three pages after that. If you separate those to the side, what I want to do is walk through how the narrative is set up. The first page is just the Overview. The second page, you are going to go into the Financial Indicators. It should look like this if you look at the actual narrative piece. You will see the nine different indicators as well as the purpose and the specific financial aspects that are used for the calculations. I am not going to walk through each of those individually. I am going to go through the graphs and then we can revisit and ask questions later as you guys determine. The next piece is scoring. We did not necessarily modify this from what was already established. We feel that these thresholds, as of right now, are accurate. I want to point out that you can see there are max points established for each different indicator and there is a weight given to them. You can see the majority of the weight is dealing with the fund balance. That is important because your revenue and expenses, depending if the revenue is more than the expenses, will flow down into your fund balance. If the expenses are more than the revenue, it is going to eat into your fund balance in order to pay off those expenses. That is why there is such a heavy weight there. You can see through the rest of the indicators there are different weights and different indicators assigned to them.

Tom Harris: Just a quick note, this works a little bit in reverse in that you want low points and not high points.

Nick Jordan: Yes.

Tom Harris: When we are looking at this scoring sheet and you see the maximum of four points, it is a bad thing if you are getting four points.

Nick Jordan: We will get into that in one second here. The next piece of it is the fiscal stress assessment results for Allen County. This is for the General Fund piece and you can see each indicator is broken down. Those will correlate with the graphs. If you want to take a second and look at the graphs, the first page is the summary and as Tom was saying, on the left-hand side you see the chart there and it shows 2011, 2012 and 2013. It shows a percentage and that is the weighted average score. As you can see it is going up from 40 to 41.7 to 60.8. As you can see in the graph, when we get to 60.8 we have moved into moderate fiscal stress. That is based on, as Tom was saying, the points which is on the right-hand side. You can see our scores for 2011, 2012 and 2013. The very first fiscal indicator in 2011, our score was one, 2012 it was two and in 2013 it was three. As that goes up it is higher fiscal stress. The more points you have, the worse off it is. You want lower points for the purposes of this.

Roy Buskirk: How soon would we have 2014?

Nick Jordan: We would have 2014 around early summer. We can then plug it into here. I am glad Roy brought that up because we are looking at 2011, 2012 and 2013. This is essentially a year and a couple months behind us. It is a point in time and things have changed since then. Don't walk away thinking that our fiscal stress is climbing. It was from 2011 to 2013. That doesn't mean that's where it is now. I will talk about why. If you actually look at the graphs, I will walk through what some of those are showing. The indicator one in the upper left-hand corner looks at your assigned and unassigned fund balances as a percentage of gross expenditures. There are essentially five categories that your fund balance can be in; non-spendable, restricted, committed, assigned and unassigned. This takes into account the two most liquid, essentially assigned and unassigned and compares to the gross expenditures and how much fund balance do you have compared to your gross expenditures. In 2011 we had 6.9% and then it dropped down to 5.7%. In 2013 it dropped all the way down to three. If you look at expenditures on a monthly basis, one month of expenditures would be 8.3% if you averaged out over twelve equal months. In all three of these years, we couldn't even cover one month's worth of gross expenditures. To the extent of 2013, you could only cover a couple of weeks because it's at three percent if you averaged it out monthly.

Tom Harris: And correlated to that is the points. Even though the graph shows that we are going down, we are going up in points. As you can see on the graph, the points on this specific one gets bigger.

Roy Buskirk: Basically that is how much funding is available.

Tom Harris: Yes.

Roy Buskirk: Obviously if your checkbook has fewer funds in it, you have more stress.

Nick Jordan: In indicator two, instead of just using the assigned and unassigned fund balance for the General Fund, it takes the full fund balance, the restricted, non-spendable, committed, assigned and unassigned. If you take the total fund balance and compare that to the gross expenditures, it looks a little bit better. The point to keep in mind there is that some of those may be restricted which means, let's say it was restricted for the Building Department or whomever, it doesn't mean that we can un-restrict it and take it to the Auditor's Office to use for their expenses. There may be State law that designates what that restriction is, or bond covenants, etc.. Even though that picture looks a little bit better, you have to keep in mind that the full fund balance can't be used for everything. The third indicator looks at your operating surplus or deficit as a percentage of your gross expenditures. As you can see in 2011 and 2012, we had an operating surplus which is your revenue over the expenditures which was very, very minimal. In 2013 we were actually in a deficit. That is because we had stagnant or decreasing revenues while expenses were increasing. At that point we go into a deficit and it was almost equivalent to a little over half a month of gross expenditures. Indicator four looks at the cash and investments as a percentage of your current liability. In this area we do very, very well. What it is saying is if this was 100%, it would mean that our cash and investments equal our current liabilities. In 2011, we have 220%. That means that we can cover our current liabilities which could be payroll, accounts payable and that type of thing, we could cover it to 2.2 times. It was almost three times in 2012. In 2013 it drops off but we still have cash and investments that are 1.6 times our current liabilities. We still can cover those very, very well. That is why there are no points assessed there because we don't fall below their threshold which would start at 100%. Indicator five looks at the cash as a percentage of monthly expenditures. Again, 100% would mean that our cash and investments would equal one month of expenditures. At 137% in 2011 and 129% in 2012, our cash is greater than one month's expenditures to the tune of 1.3 and 1.2 times. We actually fall below 100% in 2013 and we can only possibly cover three weeks' worth of expenditures from our current cash and investments. That is because the cash investments were decreasing. We talked about the fund balances going down while expenditures, even if they remained flat, if you have the decreasing cash, the ratio is going to drop and the points are going to increase. Indicators six and seven are kind of combined and what this looks at is if we took a short-term debt, which we just did today, we get three points in this regard. We have taken one for the last three years. We get three points for the fact that we have taken it however, as a percentage of General Fund revenues, it is only 7.8%, 8% and 9.1%. We have taken a short-term debt in a Rainy Day Fund loan for three years in a row but when you look at the amount that we are borrowing as a percentage of the General Fund revenue, it is right around one month or slightly below that if you averaged revenue out over twelve months. Indicator eight looks at the personal services and employee benefits as a percentage of revenues. Otherwise you can say the 100 Series. When you look at the budgets each year, you have 100 Series, 200 Series, 300 Series and 400 Series. This looks at the 100 Series. In 2011, our 100 Series expenses were 73%, 2012 they were 75% and 2013 is actually a three-year average. This was the first year that we could do a three-year average. It would have been, for 2013 alone, 78.7% but the three-year average is 75.6%. What this shows is that our 100 Series expenses are growing as a portion of our revenues. That makes sense because when you have done budget cuts in the past, one of the last things that you cut is your personnel expenses. With raises, step increases and things like that you would assume that your wages are going to increase unless attrition offsets that. This paints a picture that our 100 Series is growing as a portion of our revenues. Last but not least, simply looks at your debt service as a percentage of revenue. The General Fund, with the exception of 2011, is not used to pay debt service. There was a little hiccup that year and we had to use a portion of the General Fund. Other than that the debt service comes out of our bond fund. That is why you do not see any score here because that comes out of a different fund. I went through those very quickly and I can answer any questions you have as well as go through any other information but what I want to go back to is that this looks at 2011 through 2013. There are many, many things that factor into this and if you think of the decisions that were made in 2011, 2012 and 2013, we recognized these issues back when the Council chose to push the three percent and the employees were going to fund their own for PERF. We did budget cuts two years in a row. If you think of some other expenditures that we had, we had to pay for 9-1-1 equipment. Each year we have refunds that are given out to taxpayers. If refunds are warranted, the County fronts that refund and we recoup it at the next property tax cycle. If we do refunds in November and December, we don't collect those until the following year. At the end of 2013, we did refunds that were approximately $500,000 higher than the previous November and December of 2012. That makes our fund balance go down and we wouldn't collect it until 2014. The reason I bring this up is because there are many things that factor in.

Tom Harris: Nick I was thinking that in 2010 and 2011, we did not do an increase in pay. It seems like that if we did, it was very minimal. It seems like we didn't do it those first couple of years.

Nick Jordan: I think it was in 2011 that it was decided that the employees would pay their own three percent and in 2012 there was a three percent raise or bonus.

Tom Harris: I guess the point to that was there is a correlation to us making tough decisions when we saw trends coming negatively at the Council or at the County.

Nick Jordan: Yes, to continue on in that regard, the Commissioners took the insurance and revised it. From 2013 to 2014, we saw a 10% drop in insurance expense claims. That correlates to a million dollars. The initiatives that were taken to go to one provider and the spouse rule, we are seeing the dividends reaped from that going forward. As well, assessed values are increasing and the continued economic development effort throughout the County and the City, it could translate into increased revenues which will help us going forward also. We think that when we put 2014's information in here, you will see the fiscal stress decrease. As I alluded to earlier, our fund balance to begin with is already $10 million in the General Fund and we have the Rainy Day Fund aside which is not factored into this but into the total government funds. When you do the total governmental funds, we look much better. The points are minimal for the fact that we have the Rainy Day Fund of $13 million and we have some other large funds, CEDIT and so forth.

Tom Harris: If that wasn't there, we wouldn't be sleeping at night. The stress would be much higher at that point.

Nick Jordan: For this, the stress isn't going to change at all because the Rainy Day is not factored in here. This is just the General and COIT Funds. This solely looks at the cash reserves in the General Fund. It was $6 million at the end of 2013 and $10 million at the end of 2014. If we put the Rainy Day Fund into this, we would be close to zero. That would add another $13 million of fund balance.

Tom Harris: The tax caps that took place over the last four or five years have put stress into this process.

Nick Jordan: Yes. They were somewhat alleviated when income tax went up at the end of 2013 to help fund the property tax credit, but the tax caps definitely affect Allen County as well as all other tax units.

Roy Buskirk: So yesterday all of the Council members received information in reference to Senate Bill 427.

Nick Jordan: Yes, I actually did some analysis on that yesterday.

Roy Buskirk: Is everybody familiar with what we are talking about? That is the safety…

Nick Jordan: It is LOIT Public Safety for Allen County. It is COIT Public Safety, the County Option Income Tax. Now, the way that the law is written, it goes to the County and then each Municipality, Monroeville, Fort Wayne, Zanesville, Huntertown, Grabill and so forth. Senate Bill 427 rewrites that to Eligible Civil Taxing Unit. If you have a Township that provides Fire or EMS or anything that is defined as Public Safety under the statute, they should get a portion of this COIT Public Safety. The way it is allocated out is based on your certified levy. If that would go through then most of the Townships would get a portion of it based on their certified levy. The County and the municipalities would see decreases. To some extent it is fair due to the fact these units are providing public safety, I don't know if the original intent was that only the County and Municipalities were to get it, but you could probably argue that both ways. That is the way that the bill is currently written, to be divided amongst any eligible taxing unit. It could be a Fire Territory or Fire District and they could get a portion of it.

Roy Buskirk: What kind of impact will that have?

Nick Jordan: I think it was right around a three percent decrease for the County and Municipalities if you took 2015's distribution and threw in the Townships and Fire Territories that would qualify. I think it was around $80,000 for Allen County and the other Cities and Towns would go down also.

Roy Buskirk: So the financial impact on the County would be around $80,000. Personally, I just wanted to get a wild idea of how much funding we were talking about losing.

Larry Brown: Of about $3.5 million, is that correct?

Nick Jordan: The COIT Public Safety, we estimate $2.8 million and it is about $80,000.

Tom Harris: What that might do is encourage those Townships to go forward and establish something in order to receive some of that funding.

Nick Jordan: I think for the most part, all of them but two have Fire or EMS already established. The schools as well as Citilink and the Airport and Library don't receive anything.

Larry Brown: Every Township is responsible by statute. There are some cross agreements; we'll call them that because I can't think of the right term, between Townships.

Nick Jordan: Eel River, Perry and Huntertown all organized the Northwest Fire Territory. There is also a Northeast fire, I am not sure of the full name, but we don't distribute anything to them property tax-wise as it goes to Grabill and Springfield Township and maybe Cedar Creek. And there is also the Southwest Fire District.

Larry Brown: Would you say that each Township would get a portion?

Nick Jordan: I didn't allocate any to Eel River because that is allocated to Perry Township because Northwest Fire Territory full levy is under Perry

Township. For the Northeast one that deals with Grabill and Springfield Township, Grabill already gets a portion and Springfield Township will get a portion because that levy runs through them and they contract it out or whatever the agreement is. Lafayette Township wouldn't get it either because they don't have one, it is the Southwest.

Larry Brown: Scipio is probably a part of that as well.

Nick Jordan: I don't know if they are with the Northeast one or not. Even if you didn't provide Fire, like Huntertown provides Police, they would still get a portion of it because it falls under Public Safety. It defines what Public Safety is in the statute and even gets down to Courts.

Tom Harris: That is one indication of where the State may be making changes in the General Assembly and could impact our fiscal stress.

Roy Buskirk: Correct. I appreciate the work you did on this. My curious mind, in which the information that was sent to us says it currently distributed but not every County has this funding revenue in place. I don't see where it says how many Counties but there are 216 civil taxing units that receive funding this way. This would increase to another 278.

Nick Jordan: The certified tax levy is what the allocation factor is but to qualify, you have to provide some public safety as defined in the statute.

Roy Buskirk: So where you have multiple Townships making up this Fire District, you add the Townships?

Nick Jordan: No. For example, I will use Southwest Fire District, Lafayette doesn't have a fire levy. Southwest provides that fire protection for Lafayette. That could be incorrect. If Lafayette came and said that they provide this public safety and we just didn't know about it, they should be in there. Eel River relies on the Northwest Fire Territory but they may have something else like EMS and that would qualify.

Roy Buskirk: Are you only using the Fire Districts levies or the EMS levies and not the whole tax levy?

Nick Jordan: It is the whole tax levy. Allen County is the whole tax levy. The City of Fort Wayne is the whole tax levy. Perry Township, the Township Assistance, Northwest Fire Territory, the whole tax levy is used. That is the way that the statute is written.

Larry Brown: That's why the impact is only 2.9%.

Tom Harris: Did that legislation pass?

Roy Buskirk: It is in the Senate. This was sent to us by David Long's intern.

Tom Harris: So it becomes important for Townships to understand that particular piece of legislation going through and how it might impact them.

Nick Jordan: Yes. The interesting thing is and how the law was written they could have appealed or came and asked for a distribution anyhow under the current law from the Income Tax Council of which the City has the majority. Nobody did in the last year. Nobody came and appealed for funds.

Larry Brown: I believe the thing we have to watch out for is that we in the past have used all of that money for CCP.

Nick Jordan: We use a portion of it for CCP and we use some for the Sheriff's pension. I think those are the two biggest chunks. I think $900,000 is budgeted for the CCP and over a million for the Sheriff's pension.

Tom Harris: Okay. Are there other thoughts? If not, Nick, can we jump back to the stress piece? Thank you for that and as we talk through it, this isn't something that you can digest in thirty minutes. You are going to have to get into it a little bit. This was a point in time that he has taken a look at and we will be able to use it to understand those trends. As the 2014 information comes to us, we will be able to understand that trend a little bit. Again, it will be a point in time but it will give us an indication of what kind of trends and fiscal stability is for the County.

Nick Jordan: If you look at the scoring or think there is a different indicator, for example if we think our assigned and unassigned balance should be 15%, we could change the scoring table to reflect that and then it would modify the points accordingly. It is very flexible in how we do it. I would encourage you to read the fiscal stress assessment results narrative part which helps define or explain the graphs. It is still short so we can definitely dig into it. If you want to know the details of what caused those, we can dig in and see what it was.

Larry Brown: My comment is, you are light-years ahead of me in understanding this kind of thing, in basic terms that I can understand we have been fiscally responsible in maintaining and building the Rainy Day Fund in anticipation of four or five now going on six and seven years of decreasing revenue and increasing costs and that type of thing. I don't know how you would use that to filter into this kind of analysis but I think it should.

Nick Jordan: It will. It's in the total governmental funds. We have a piece that looks at every governmental fund that the County has. It is already done but we just wanted to introduce one thing at a time. When you look at that piece, the fiscal stress is much less. Along the lines of that we are trying to build the General Fund. As you can see, the General Fund balance had some fiscal stress from 2011 to 2013. We have taken steps to increase that General Fund balance. Not the Rainy Day Fund but the General Fund cash reserves to try to alleviate some of this fiscal stress in 2014 and going forward.

Tom Harris: Council, we just did that last month…

Nick Jordan: You have earmarked some of it to try to build up that General Fund balance. I think it used to be, in the early/mid 2000's, $20 million that was sitting in the General Fund balance.

Roy Buskirk: That is what is so hard to explain to somebody about how we have been conservative on cutting cost here and there and everything but we haven't cut the tax rate. The revenue has actually gone up. It is because of additional expenses that we have to pick up because the State has thrown to the County. You automatically and every taxpayer also has increased utilities, heating and electrical and all of those items keep going up. If you are trying to increase the wages which should go up every year because of the cost of living and everything, it is very difficult to be able to do all of these items. That is one reason I wanted to bring this up this bill this morning, it is not the fact that I think they deserve the funding, the Townships and the Fire Districts and the EMS should receive part of this funding but it is just revenue that the County is going to lose. We are estimating $80,000 or so but it is getting more difficult to be able to replace that type of funding.

Tom Harris: In this morning's headlines, it talked about the State moving towards a budget that would send more money to local governments but yet there is an indication that they are giving it back to local government but are taking it from a County perspective and giving it to a Township. Even though they are saying that they are giving it back locally, it could cause fiscal stress for Allen County.

Roy Buskirk: A lot of times they are saying that they are giving back multiple millions of dollars to Counties but you need to remember to divide that by 92. It's just like the prisons or jail systems and the additional cost that the State is providing to us. I think it was $100 million and you start dividing that out to the 92 Counties, in fact it was less than that because one County would receive $150,000 to $200,000. What is that with the additional costs of the felonies that we are going to have to house? I have talked to some of these State Legislators and they say we don't expect you to keep them in jail. There are other programs you can go to. Don't they realize that the other programs also cost money? It is like more Probation Officers and a month before we increased the ankle bracelets in purchasing them. I'm done.

Tom Harris: Thank you, Roy. Are there any other comments on Nick's assessment? Again, thank you for that. It is another tool in the toolbox in understanding our fiscal stability. And there is more to come.

Nick Jordan: Yes, we will provide the total governmental funds portion of it. We just wanted to introduce part of it before giving you everything. The total governmental funds looks exactly the same in format but it is different figures that you are going to see. There are more fund balances, more expenses and more revenues because you are looking at Highway and CEDIT and everything.

Bill Brown: Well done, I would agree.

Tom Harris: All right, Nick, anything else on that?

Nick Jordan: I don't think so.

Tom Harris: Thank you. Are there any other discussion items? Bob.

Bob Armstrong: I have two things. First of all…

Tom Harris: We will go ahead and call this Liaison Reports as well.

Bob Armstrong: I have two things as I hold true to my voting, I still think it is important that any approvals from the Personnel Committee, I personally need to see documentation on what we change and what we have added. I don't know how you can vote on something when you haven't seen what is going on. Second of all, I would like to request that Bob Bolenbaugh, the Commissioners or whoever is involved come to this table and give us a report on the County's GPS system that we bought and paid for. Is it working, is it doing what we wanted it to do, who is policing it, the reprimand system or did we just buy a configuration to put in vehicles that says we are tracking our take-home vehicles? I would like to see a written copy of the personnel policy for the GPS.

Tom Harris: Okay and we can set that up for the next meeting.

Bob Armstrong: That's fine.

Tom Harris: Another item, we may have Beth Lock join us at the next meeting as well to give us an update from the General Assembly. What bills are getting close and starting to move through and we will ask her to join us in the next meeting as well. Is there anything else, Bob?

Bob Armstrong: No, that is all I've got.

Tom Harris: Sharon, are there any updates for liaisons or any other comments?

Sharon Tucker: Bill and I have been together a lot this month. We were at the Coliseum and I am really proud of everything that they are doing out there. They have a lot of construction going on internally and externally. If you get an opportunity to tour it, the new changes should be very interesting with the renovations and the locker rooms that are coming up. I know this is going to cause contention among some but I would like to see information or a policy on the take-home vehicle mileage. I am looking at that report that we saw today from the Sheriff's Department and it is interesting to see the mileage usage for off-duty miles. It seems to be that it is a place where we could talk and I know it was discussed deeply in the budget meetings but I know it is a lot of tax dollars.

Tom Harris: It is a point that we have talked to the Sheriff's Department about modifying that report as well. He indicated this morning that it is problematic to do this on a regular basis. We can schedule that and Bill and I, as liaisons, can talk to the Sheriff about doing that more frequently. We can figure out what might make sense. Ultimately, if we are trying to understand that a little bit better, I think it is a good point.

Sharon Tucker: I don't know and this could just be because I am new but to see the rules and regulations and guidelines are. So that we can see what we are looking at and have a measurement to benchmark that against would be good.

Bob Armstrong: Just to add onto that I asked the Sheriff about the Spillman and tracking of mileage. I am going to do some more research but I have been told that you can go into Spillman and request mileage as a sign-in or come on duty. I will do some more checking. I am kind of like you. I want a cleaner number. I understand that it was an estimated report and everything but I think that report needs cleaned up. It is my understanding that there are programs that we can purchase to do a better job on tracking our mileage.

Tom Harris: Thank you. Larry.

Larry Brown: About the only thing I can share is that over the last month I have met with Dan Freck and there is discussion of getting Dan Freck's department involved more directly in maintaining the Jail. Probably at the next budget cycle we will see some changes in the Jail budget removing maintenance line items from the Jail and putting it into the Maintenance Department. That is what we have advocated for some time now. That is moving forward.

Tom Harris: Roy.

Roy Buskirk: Taking that another step farther, the Sheriff has always been concerned that the maintenance people entering the Jail had the proper clearances. I understand that so why not just get the proper clearances? The problem has been that even sometimes, because the Sheriff's maintenance department does not have the necessary expertise to be able to work on some of the equipment, they end up calling the County maintenance person in anyhow.

Tom Harris: It sounds like there is some cooperation.

Roy Buskirk: Whenever you have a smaller working unit, you have more difficulty being able to cover 24/7 and vacations and sickness and those things. We have been, I don't know how many years, trying to get them to work together. One thing on the liaison reports, Larry and I serve on the Permitting Board and the Ombudsman Craig Yoder is retiring. We will be in a search to replace that position. If you know of anybody that has retired from the construction business, basically what this job is if a contractor or architect or anybody is having difficulty going through the permitting process, this individual has to work with both the departments and the contractor or architect or whomever to come up with a workable solution. There were a couple of different projects that were going to leave the County and he has been able to save them. That is what we will be doing in the morning.

Tom Harris: Very good. Councilman Benz.

Joel Benz: I have met with a number of my liaison appointments. Really the only overarching thing I noticed is Judge Felts and Eric Zimmerman are going to have some cost increases coming up. They have funds that they are tapping now and they are getting down. You are well aware of that over the last few years. In the future we are going to have to advocate for them to be able to raise some of their fees or we are going to have to come up with some additional funds. This is probably this fall or sometime along those lines.

Tom Harris: That is one of those items that we are becoming more aware of because the State is passing on more pressure to local government and we have to pick up those costs and figure it out. Over a trend and a long period of time, balances in certain funds that we have used that to pick up those additional tasks, duties and responsibilities. Those funds are starting to drop and we have to figure out revenues to offset that. Very good. Councilman Brown.

Bill Brown. As Sharon mentioned, I met with Highway because they wanted to give us a broader understanding of what they were doing. It was very informative and it was nice to revisit some of these projects over time. Tom and I met with the Sheriff regarding some of the things they discussed today. There are some bright spots there regarding funding that they will probably elaborate more on with some of the things moving through the State Legislature. Also, it is nice to see the Sheriff's new perspective about being very transparent and trying to get a good understanding about what he can do and what his department can do to be responsive and help control costs and be innovative. There is always a balance between collecting data and what you really receive once the data is collected. That is always something to keep an eye on. Master Gardeners had their Appreciation Night for their volunteers and it was quite a group. The longevity of some of these folks continues to add value in that regard. It is always cool to see a volunteer group of well over 50 people. Finally, the Election Board, there is going to have to be some replacement of equipment. I met with Beth Dlug and she has a plan. I am sure she will elaborate more on that later. She has a process on replacement and she is going to reach out to Nick and Tera to talk about how to do that. That's about it.

Tom Harris: Thank you. I have also met with Beth in regards to some of those needs that she may have. I think she is going to be talking to the Election Board about these needs. There are some larger ticket items that could be potentially coming our way this year. We are keeping an eye on those. The three of us have met in regards to the abatement piece that will be before Council. There is nothing to update yet, just trying to gain more information from Economic Development and to understand our position and what we might be considering down the road. Is there anything else as far as liaison reports?

Larry Brown: There will probably be discussion at the March meeting.

Tom Harris: Yes, thank you. We talked that we may open that up in April or May. We will have more discussion for ourselves and maybe open that up as well.

Roy Buskirk: The reason for us looking at each other is that we wanted to wait until this current State Legislation was done to make sure that they weren't throwing a wrench into the mess.

Tom Harris: The General Assembly could modify different policies that could affect us. We could decide on one policy on abatement and they could do something before the General Assembly ends and so we want to wait until they get done before we make some final decision.

Larry Brown: My point was though that March 17th is on the schedule for the City to discuss it.

Tom Harris: Oh, okay.

Larry Brown: We meet March 19th and it would be an appropriate time to at least begin that discussion.

Tom Harris: Yes, good point. I will open it up for any public comments.

Bill Brown: Approval to waive the reading on any matter approved today for which it may be deemed necessary for the County Council meeting of February 19, 2015.

Bob Armstrong: Second.

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

Sharon Tucker: Move to adjourn.

Bob Armstrong: Second.

Tom Harris: 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 10:23.