

**ALLEN COUNTY COUNCIL MEETING MINUTES**  
**JULY 15, 2015**  
**8:30 AM**

The Allen County Council met on Wednesday, July 15, 2015 at 8:30 am in the Discussion Room at Citizens Square. The purpose of the meeting was for Pre-allocation Budget for 2016.

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

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

**Tom Harris:** Good morning everyone. This is the Pre-Allocation meeting for the 2016 budget. We start the morning with the agenda and the Budget Overview with the Auditor.

**Tera Klutz:** Thank you, some of our numbers have changed just a little bit based upon having a few more months of revenue coming in this year and trending. Some of our expenses have changed a little. I am going to turn it over to Nick for just a preview again of our current year estimates.

**Nick Jordan:** Good morning, Council. I am Nick Jordan from the Auditor's Office. You have some hard copy information in front of you today. One is a packet of three pages. If you open up to the second page of that packet and also the single page that looks like the information that we handed out last month. It has been updated. Just to touch on how these two interact with each other, correlate or flow from one to the other. On the 2016 Allen County Budget Pre-Allocation Summary, you see the top figure of \$89,597,216 for the revenue estimate. That has been increased slightly from last month. The Growth Quotient was actually 2.6% compared to 2.5% and that is the amount that we can increase our property tax levy. We also increased our Miscellaneous Revenue and you will see that in the Other General Fund Revenue Estimate of \$19,945,765. That \$19 million and the \$17,286,100 below that correlates with the single page and the \$37,231,865, we also bumped up a couple of categories. There are twenty or thirty different revenues in that bucket and we bumped up a couple of them after having a couple of more months of experience under our belt. You will see the \$89,597,216. The next figures are the prior year adjusted General Fund

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Budget Allocations, \$87,602,858. That figure is comprised of starting with the 2015 budget and then back on the sheet that we looked at a month ago, we go through some individual expenses to arrive at the \$87,602,858. When you look at the projected revenue and projected expenses, we potentially have \$1,994,358 of revenue exceeding our projected expenses. We are suggesting that you back out \$450,000 of one-time revenue. Again, as I mentioned last month, we don't encourage you to build a budget on one-time revenue because we don't anticipate that to continue. We suggest backing it out and putting it into your Capital line for one-time capital expenses. You will see a 2.2% raise and that 2.2% comes from the Prosecutor and Sheriff raise. The State has given them a 2.2% raise and the UPROB grid, which is the Probation Officers. They are getting a 2.2% raise and the State tells us what that is. We threw in that 2.2% figure which is around \$1.2 million. Two percent would be around \$1.1 million. Essentially it is about \$550,000 for every one percent raise. After you would take the \$450,000 out and the \$1.2 million that would leave you with \$331,937 and from that \$331,937, the next section on the Pre-Allocation Summary is the different responses. I am going to stop for a second so you can ask questions or how you would like to go through the different responses. You have \$331,937 and if you were to grant these increases, just note that the Sheriff has pulled their \$5,000 increase and it is not on there anymore, you would have \$658,458. What this is telling you is that there is \$658,458 requested operating increases but you only have \$331,937 to give if you were to give the raise and allocate the \$450,000 for one-time capital.

**Tom Harris:** Council, are there any questions at this time?

**Roy Buskirk:** I have a question concerning the State giving the 2.2% raises. You said that was to the Prosecuting Attorney?

**Nick Jordan:** Yes, the Prosecuting Attorney and then at that point the Sheriff's salary is tied to the Prosecutor and also the Probation Officers that are on the UPROB grid. The State also determines that.

**Roy Buskirk:** And both the Prosecuting Attorney Deputy and the Chief Deputy for the Sheriff, they are tied to the Prosecutor's and the Sheriff's because it is a percentage of?

**Tera Klutz:** It starts as a percentage but then it becomes a flat dollar amount. The Chief Deputies is automatically raised just because the statute requires the Elected Officials to be raised.

**Roy Buskirk:** And the Prosecuting Attorney wages are paid by the State except we give a \$5,000 bonus, I guess.

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**Tom Harris:** How many employees that we just mentioned, approximately? Can you give me a rough number?

**Nick Jordan:** Jackie, do you know how many Probation Officers are on the UPROB grid?

**Jackie Scheuman:** Probably about 40 to 50.

**Tom Harris:** Approximately 40 employees would be getting the 2.2% that is being dictated by the State, at this point.

**Tera Klutz:** Yes, roughly off the top of her head.

**Tom Harris:** Council, are there other questions? Nick, if you want to continue on then.

**Nick Jordan:** We were just looking at the Budget Pre-Allocation Summary and the page behind that actually goes into the different department breakouts. The first column is the 2015 Adjusted Budget takes into account the step increases and things of that nature. The 2016 Allocation Request is what they requested in their responses. Next you have the 2016 Over (Under) Allocation that shows how much they are asking above and beyond their adjusted budget. The 2016 Capital Request column is from their capital request survey and many of them are just giving you a heads-up that these items are things we may need at some point in time. As we have done in the past, they come back when they actually need those items; you ask if this was on the Capital Expense Survey and go from there. I will defer to you President Harris on how you want to go through these.

**Tom Harris:** First of all, I want to say thank you and congratulations to the 24 different departments that have come in with the same amount and have not increased their budgets above last year. That is impressive and that should be recognized. On behalf of Council, thank you. Those 24 different departments are working hard to continue to meet the needs of the citizens of this County without having to raise and ask for additions in their budgets over last year. That does factor in the two point something increase that the State allows. There are increases but it falls within that discretion outlined by the State.

**Nick Jordan:** And step increases and things like that.

**Tom Harris:** I also want to recognize the fact that the Sheriff, over the last four to six years, has come in with an amount considerably over what had been allocated in the first steps and they are coming in at the same 24.

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Congratulations to the Sheriff for coming in even this year as well. At this point, you have the ability to walk down through maybe those that are exceptions and then we have the opportunity to either look at each of those or all of those, have those representatives from those departments come before us and talk about why they are needing an exception now. Or we have the ability to simply say we are not going to entertain their budget request over this amount and they would have the ability to appeal that by coming back in September to talk to us further. Or we have the ability to go ahead and say yes we will approve the amount that you are requesting above the amount. All of that is before us and Nick I will turn that back to you for further discussion, at this point.

**Nick Jordan:** I am just going to go in order as they are listed on the Pre-Allocation Summary and kind of give a brief summary of what we captured from their responses. You guys can then talk amongst you as you so choose. The first one is the CCP. The CCP is unique in the fact that they get 911 fees and also get a contribution from the County General Fund and the City General Fund. I believe the contribution breakout is still 22.5% from the County General Fund and the remaining comes from the City General Fund. In the CCP letter, it was noted that they budgeted for a two percent increase. They follow the City's pay and benefits and so that is what they notified to put in there.

**Tom Harris:** And that is an important piece. We don't know what the City of Fort Wayne is necessarily going to do. They still have to go through their City Council and such but they have been instructed to put a two percent increase at least in this department but we can presume it will be throughout the City of Fort Wayne. It is something to take note of.

**Nick Jordan:** The next thing they noted was the Motorola maintenance contract. That is actually split 50/50 between the City and County and is right about \$600,000. The Radio Shop is the people that service the radios and 30% ...

**Roy Buskirk:** Excuse me, Nick. On that maintenance, is this the first year for that?

**Nick Jordan:** It is the second year. Last year we took money from the "old 911" money; new 911 money is passed along to the CCP. Last year we used the "old 911" for the Motorola maintenance and the 30% Radio Shop. That was right around \$817,000. At that point in time, the "old 911" had a balance around \$3 million balance and now it is around \$2.2 million. You can only do that a couple more times because you are using one-time money to fulfill an ongoing operational expense. I would encourage that we try to factor this in,

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if we can, or see if there are ways to cut expenses and try to get this into the operational budget. The “old 911” money will only last for a couple of years if you continue to do that.

**Roy Buskirk:** What would it possibly be used for if it wasn't for this?

**Nick Jordan:** It would be speculation, I don't know for sure.

**Roy Buskirk:** Okay.

**Tom Harris:** So with that, there are some questions that we should understand further or ask and maybe discuss.

**Nick Jordan:** I checked with the Statewide 911 Board and they have notified the Directors of the dispatching units throughout the State that they anticipate the same 911 revenue, amount which is for us of approximately \$200,000 and some a month, for fiscal year 2016. We potentially get a supplemental distribution in August or the beginning of September. When we actually get the concrete budget from the CCP or the breakout of that we can look at this again to see if the \$348,000 is going up or down. They do have a cash balance of approximately \$500,000 at the end of June but we won't know how that will vary until the end of the year. I would suggest holding tight on this one and wait a couple of months to see the new information that we get and then make a decision in September.

**Tom Harris:** Council, are there any questions on that one?

**Nick Jordan:** The next one is the Building Department. That is actually for a new position that will come before you tomorrow. If you were to approve it tomorrow, it kind of sets precedence for 2016 but they have seen an increase in demand for a Permit Clerk especially with the new GM project. There are multiple projects going on right now and are seeing better economic conditions for the Building Department and they see this need. Like I said, you will hear more explanation tomorrow when it comes before you.

**Tom Harris:** So just as a matter of clarification, what we have before us is a request to increase their budget on the basis that we would approve that new position tomorrow. We could do a couple of things. If we anticipate moving forward with that tomorrow we could approve this today and then discuss it tomorrow for a further vote. Tomorrow's vote represents 2015 but this would represent 2016. Thank you, Nick. Next is County Extension.

**Nick Jordan:** County Extension has a \$13,000 request and I will note that it was difficult for me to pinpoint what that \$13,000 was specifically for. I will

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mention that Purdue wants an additional 1.5% contractual services which was around \$2,170. They also had some additional expenses that they did not anticipate but I don't know what is behind this specific \$13,000.

**Roy Buskirk:** Do they want to come up and talk about it?

**Tom Harris:** That might be an option but we will have Nick go through each of these and then we can come back from a Council perspective and decide how we want to deal with each line. Nick, do you want to continue on with Voter Registration?

**Nick Jordan:** Voter Registration is asking for \$20,500. If you recall, and you can see it on the one-page summary that was presented last month, we increased the Election Board's budget for the Presidential election. We do not do that automatically for Voter Registration and they are coming to ask for this additional money because of the Presidential election. After looking at it, I would strongly suggest that this one be approved based on where they were in 2012. They also factored that by using the 2012 budget instead of 2012 actual expenses. I think they will definitely need that. Should they not need it we would presume it would roll to the bottom line and be in rollover. That is one that we increased the counterpart, so to speak, of the Election Board but not Voter Registration. As you can see, they have the detail on the specific lines that they are asking to go up. That is Extra Deputy Hire, Tech Support and Postage.

**Roy Buskirk:** I have a question on the Election Board. This is actually showing their current year's budget and compared to their request but wasn't it increased because of the Presidential election?

**Nick Jordan:** Yes, but we factored that in before. If you are looking at this sheet, the 2015 Adjusted Budget, we factored in an increase of \$132,507.

**Roy Buskirk:** So that is not their actual budget.

**Nick Jordan:** No, we put in more and that is why it is adjusted.

**Roy Buskirk:** I understand.

**Tom Harris:** And we will still count them as one of the 24.

**Roy Buskirk:** Yeah.

**Tom Harris:** Okay, very good. I think Information Technology is next.

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**Nick Jordan:** Ed came before you last month to talk about one piece of this which is approximately \$50,000 and that was for the Microsoft Cloud for backup and storage. The other piece is for an enterprise license agreement for GIS. What that is, let's say that each of you having your own license agreement, but this would allow multiple enterprise-wide licenses throughout the County should there be more people that need to use it. He goes into a little bit more detail in his letter and it looks like there is a split cost. That is taking into account that they have a GIS fund. They looked at that balance to see what they could support from there before asking the General Fund for that piece. The largest portion, he talked about last month. Soil and Water stems from the 2013 approval. At that point, they came for an Office Manager position where a portion of the salary was paid from a grant fund. At this point, they are asking to bring \$9,095 to the General Fund and have the full salary of the Office Manager be paid from the General Fund. The alternative would be to say no and continue to see if the grant funds can do it and then they could come back next year if the grants didn't cover it. I don't fully understand everything with the grants and so forth that goes on with the Soil and Water District. I would defer to them if they are comfortable in that regard. They covered it in 2013 and 2014 and so they have been able to find funds. The last one is Superior Court. For Superior Court, \$25,000 of that is going for their Consulting line and they have mentioned that to you a couple of times. This is for interpretive services when they have court trials and need interpreters. So \$25,000 of the \$165,139 is for that. \$4,000 is for Extra Deputy Hire and is for a part-time Court Reporter. The largest chunk of around \$130,000 is for two Case Managers that are currently being paid for out of the Alcohol Countermeasures Program. They have used those funds heavily in past years and the balance is dwindling down and could potentially be exhausted by the end of 2015. They have raised the fees for that program to try to offset some of these costs. They are at a point in time where they are not going to be able to fully cover the expenses as they have the last couple of years. That balance built up in the Special Revenue fund and they have been eating into that balance for three years as they have moved things out of the General Fund and they are now asking that these two positions come back to the General Fund. I believe they are also cutting some position on their own side to help offset the expenses in that program.

**Tom Harris:** So those are the different departments that are coming in above the budgeted amount that we had set out. Don't leave out the next one.

**Nick Jordan:** Building Maintenance has noted that they can work with \$50,000 less resulting from adjustments with the cleaning contract.

**Tom Harris:** And that is impressive particularly since we just added to their staff in the last meeting. The Capital requests are also on the next page. We

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have the opportunity, at this point, to look at each of those different departments that are coming in above and we have the ability to look at any or all departments in terms of what they have presented initially. At this point we could begin to look at those that have come in above the budgeted line and determine if we want them to come before us this morning or simply defer and have them come back in September in terms of an appeal process. I am open for any thoughts or recommendations.

**Roy Buskirk:** The one thing for the County Extension is the fact that it is another one of those situations where Purdue say what the Educators' salaries are to be and we just about have to accept it. I am sure that part of the \$13,000 is the 1.5% pay raise. Who is the liaison?

**Sharon Tucker:** I am. I met with them and it is true that the 1.5% is part of the \$13,000. There are some other programs that they are looking to implement and the additional funds are needed in order to make those programs a success for continuing education.

**Tom Harris:** Let me throw out and back up just a little bit on this. When we look at the amount of the available funds going into operations next year, you have it estimated at \$331,937. How does that compare to the same process last year? In other words, would we be starting the year of 2016 as we did 2015 with a spending availability of \$331,000? Is that more or less or the same as last year?

**Tera Klutz:** The \$331,000 is not the rollover. This is not the number that will be at the beginning of the statement next year.

**Tom Harris:** Okay.

**Tera Klutz:** The \$331,000 shows the difference between expected revenue for 2016 and expected expenses and they are adjusted based upon certain criteria and norms that we have worked with for the past twelve years. Step increases and election budgets flowing back and forth and operating increases for salaries that you've done in the year. We automatically put those adjusted amounts in to make our process easier than going line by line by line. The difference of that \$331,000 represents the difference of expected revenue and expected expense though after we have accounted for the 2.2% raise. If you were to grant all of the requests, then that would reduce the amount of the raise. We are showing \$1.9 million available as far as revenue exceeding expenses less the one-time capital.

**Tom Harris:** So the challenge for Council is if we want to do some kind of raise for employees, and in this case the 2.2% is listed on this sheet, we would

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not be able to approve all of these that are above budget. If we do, we would have to cut that raise back for employees. That is the challenge for Council this morning.

**Tera Klutz:** I would offer that for any capital expenses, I do anticipate that there will be rollover next year to meet capital expenses.

**Tom Harris:** Let's talk about that for just a minute. The rollover number a year ago, the thought was that each year the rollover number is less because we are getting tighter and tighter in terms of our budget spending and projections and those kinds of things. What was it last year in terms of rollover and it is too early to think or do you have a projection of what that might be at the end of this year going into 2016?

**Tera Klutz:** Historically before this year, our rollover was reducing significantly each year. Due to timing of payment of certain property tax refunds, the beginning of this year we actually had a significant rollover and we had begun to build our cash reserve back up. The rollover operates as the General Fund Cash Reserve. We don't get property tax until June of every year and so in order to meet payroll and expenses, you need to have cash flow. We are building that back up and the beginning of this year we had a nice rollover to start building that back up. We haven't spent it and anticipate that same rollover going into next year.

**Tom Harris:** And approximately how much is that?

**Tera Klutz:** It's few million.

**Tom Harris:** A few as a couple?

**Tera Klutz:** A couple is two and a few is three.

**Tom Harris:** Okay, everybody make note of that.

**Roy Buskirk:** I know a year or so ago there was a lot of discussion that the rollover should go into the Rainy Day Fund.

**Tera Klutz:** I'll let Nick talk about the balance of the Rainy Day Fund. That is a great question.

**Tom Harris:** Along with that question, I am going to jump in here Nick; we have worked with the Auditor's Office now to identify several quantitative indicators to look at for the County. It is our responsibility to make sure that we are in good fiscal condition for the citizens of this community. How do we

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assess that? What kind of measurement and what do we look at? Nick, can you talk a little bit about that? I think we identified five different aspects that we would look at from a Council perspective.

**Nick Jordan:** Yes, I will tie those in with Roy's question on the Rainy Day Fund. One of the things we look at is the General Fund cash balance. Not the Rainy Day Fund balance but the General Fund cash reserve. For example, when we do a bond issuance that is one thing that the rating agency is looking at, what the cash reserves are in the General Fund and the Rainy Day Fund. What they've noted in the recent bond issuance is the fluctuations in the General Fund cash reserve. That is one thing that we are looking at, boosting that up by essentially replenishing it because it dove down from 2011 to 2013 and jumped back up to around 2014 and this is some of that rollover, keeping it in the General Fund as cash reserve. Because of the fact, if you think, in February or March we take a Rainy Day Fund loan to help pay for expenses because of the timing of property tax revenue. This could help alleviate the Rainy Day Fund loan that we take and just work within the General Fund cash reserve. The Rainy Day Fund, we also look at, is around \$13 million after you add in the Highway loan and the General Fund loan we took this year of around \$6 million. That is around \$13 million ongoing and has been flat or stagnant for the last couple of years. That is around ten to fifteen percent of our property tax operating budget. That is what we feel comfortable with and we like it in that region. Those are two items that we look at and we also look at as annually, are we operating within a balanced budget? Do we have a budget surplus or a budget deficit? If we have a budget deficit, we are eating into our cash reserve because our revenues are not matching our expenses. We want to make sure that we are cognizant of the fact that even though we pass a balanced budget, people come back during the year for additional appropriations and we need to make sure at the end of the year that we are still operating within the revenues that came within that year. That is so we can keep our General Fund and Rainy Day Fund cash reserves sufficient in the event that if we do have that economic downturn like we saw a couple of years ago and had to take a \$10 million Rainy Day Fund loan. When we did that the Rainy Day Fund was at about \$2 million. We hardly had a Rainy Day Fund. We also look at employee turnover.

**Tom Harris:** Can I go back to the cash reserves on the current budget? That is crucial, as you mentioned, because if the County needs to go out and consider a bond for whatever that might be, if our rating is good we will be able to get that for a lesser rate. It is just as a business and if that business has good credit, they are able to get a good loan to be able to take care of their needs. The County is looked at from this standpoint in terms of our cash

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reserves and if those are good, our bond rating is high and therefore we can borrow at a lower amount.

**Nick Jordan:** That is definitely one aspect but you can relate it all the way down to the personal level. If you go to get a car or a house loan, they look at your financial condition and if it is a rocky thing you might get a higher interest rate or no credit whatsoever.

**Tom Harris:** So it is crucial, from a Council perspective, to make sure that's in line for the future of the County.

**Nick Jordan:** And it is not just bond rating but the fact when we do have an economic downturn, which is inevitable, we don't need to go borrow or cut significantly. We can say that we stabilized the cash reserves and this is what it is for. It is not just the Rainy Day Fund so let's dig into this potential General Fund cash reserve to help maintain operations in the current state that they are and then if and when the economy does recover, we can then build that balance up again but we were able to flat-line our operations during that time period.

**Roy Buskirk:** I was just going to say one of the things and I am not in favor of borrowing money through bonds but one of the reasons that we would be an economic development situation where we have a new company or someone moving into the County and we have to extend roads or utilities. That is one reason that we really need to keep a good bond rating.

**Nick Jordan:** Oh, yes. And if you even think, we use some of the available funds a couple of years ago to pay off a bond early. That is also things that you can look at.

**Tom Harris:** In talking about those bonds, we have been on a downhill process for the last four years up until last year which we bonded for.

**Nick Jordan:** The Coliseum had some improvements and we just refinanced and refunded a TIF Bond to help General Motors and I-469/Bluffton Road area. That was supposed to result in some savings.

**Tom Harris:** The next indicator was employee turnover, I think.

**Nick Jordan:** Turnover is one thing we look at, not only wanting to retain the good employees, but also the cost. Every time someone comes in or changes positions, you have training and all that is incurred with that regard. The Commissioners and HR want us to be a top-notch employer and do what we can to make sure the turnover is not skyrocketing. It has historically shown

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that during positive economic times, you may see some County employees go to different employment where potentially the wages are higher. That is some of the arguments, that people make more in the private sector. That is one thing we try to keep an eye on and keep in an acceptable area. We also look at, from an accounting perspective, internal controls. Everybody wants to worry about those when something does happen or something blows up. The Legislation recently took steps to try to get those on the front page and essentially mandate or require that Counties are looking at those and certifying that they are in place. They are very important because your processes and procedures have controls in place to make sure that you are doing it correctly and assuring that there is sufficient review and compliance so that at the end of the day the taxpayers' dollars and assets are being used in the best and most efficient manner as possible. You can't really quantify that one. Well, you can if something happens and you say that this person took this much or we lost this much but on the front-end it is hard to quantify the savings.

**Tom Harris:** So it would behoove us in terms of that last one, and Council is looking at it from a County-wide perspective, to make sure that those departments and elected offices with larger budgets make sure that there is some kind of internal control process developed within.

**Nick Jordan:** That is one thing that we definitely have tried to do in the Auditor's Office is reach out and it has been more of an effort the last couple of years. The problem we have is the teeth or enforcement mechanism. You can't go into an Elected Official's office and tell them they have to do this. With the Legislators' new law, we will have to certify that we have looked at them and reviewed them and things of that nature. Hopefully that will help the process County-wide.

**Tom Harris:** Those are five ways that as we are making decisions across the board, making sure the Rainy Day Fund, the Cash Balance Operating, Surplus, Employee Turnover and Internal Controls are all in a good position for the County and as such are looking out for the taxpayers and the citizens of this community. Thank you. With that do we know what the employee turnover is? Is there anyone from Human Resources here?

**Nick Jordan:** We can get it to you. Jackie puts together that information each month and so we can email that to you as soon as the meeting is over.

**Roy Buskirk:** On that I would like a breakdown as far as ones that retire and so forth.

**Jackie Scheuman:** I can get that for you.

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**Tom Harris:** So, as we go back to this front page or the sheet talking about those that came in with operating increases, the first one before us is the CCP. Is there an interest in hearing from them at this time or do we want to simply defer until September?

**Roy Buskirk:** The one question I have is part of their increase is anticipation of salary increases and with all of the other departments, we don't have that in their numbers. I wonder what of the \$348,224 how much is salary? I am not sure because of the breakdown between the County and the City how many of the 911 are on County wages, all of them or none of them?

**Nick Jordan:** They are all City.

**Roy Buskirk:** They are all City. Okay.

**Sharon Tucker:** Can we get clarification on that? With the 2.2% that we have backed out here and some of them have step wages included in like the County Extension has that included. Is that part of the 2.2% or is it additional to?

**Nick Jordan:** The step increases are factored in to the 2015 Adjusted Budget to arrive at the 2016 beginning. The 2.2% would be on top of that. If you were getting a step up from 37 to 40 then the 2.2% raise raises the whole grid.

**Sharon Tucker:** Okay, thank you.

**Roy Buskirk:** The 2.2% is on top of the step. The 1.5% for the County Extension is not a step increase.

**Sharon Tucker:** That is why I was asking for clarification because I didn't quite understand it.

**Tom Harris:** The other point is that if the two percent is figured in for those employees, and the County does the 2.2%, they still receive a 2.0%, is that correct?

**Nick Jordan:** They are on City payroll that is correct.

**Tom Harris:** Then the County employees would be getting .2% more than the CCP. That is with the assumption that the City goes with a 2.0%.

**Roy Buskirk:** It would almost be like the Probation Officers. The State sets that and the City sets this.

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**Tom Harris:** Yep. With that is there anyone here from the CCP? Do we want to discuss this now or simply have them come back in September?

**Bob Armstrong:** With a thinner number?

**Tom Harris:** They will have a chance to review those numbers and maybe talk to us further. A point of clarification, do we vote on these or is this a recommendation at this point? We are simply making a recommendation?

**Tera Klutz:** You can do either one. You can vote on it but I would only do that if there is not a consensus or you feel like there maybe agree to disagree on certain points. On the CCP, I think you would just want to see a budget first and right now they are still formulating that. It's tough to give an amount.

**Tom Harris:** Council, would you be interested in holding back until September?

**Bill Brown:** It seems to make sense to have a conversation today but I am fine with September too.

**Larry Brown:** Bill's here so let him come up.

**Tom Harris:** Bill would you like to come up and have the opportunity to talk a little bit?

**Roy Buskirk:** While he is coming forward, maybe I got a little confused there since they are City employees the 2.2% numbers that we have been using, 911 has no effect on those numbers.

**Larry Brown:** Correct.

**Roy Buskirk:** Their budget request would remain the same.

**Bill Bassett:** I am William Bassett, Director of the CCP. Thank you for having me here this morning. Essentially, from last year, we are waiting on a couple more numbers from the City Controller's Office to finalize our budget. One is Workman's Comp and the other is Liability. Depending on what those come in at, right now our budget is flat. We have no increase at this point. The \$348,224 is essentially the 50/50 split for the Motorola contract and the Radio Shop. That is what was taken out of the "old 911" funds for 2015 and that is pretty much what we need covered for 2016. We don't have any increase in our budget but those are the two expenses that came out of the 911 fees that need to be funded for 2016.

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**Tom Harris:** Bill, help us understand in terms of the data that you are still asking for, when does that come?

**Bill Bassett:** I am hoping to get that by the end of the month. The State did increase the user fees on phones up to a dollar. We will not see that or know what that increase is until later this year. We are probably talking November or December by the time we get those numbers. We have been instructed by the State to keep the same number we had last year into the 2016 budget. I am not expecting a big windfall, by any means, from them because they have increased fees on their side for networking and so we may see a little increase but nothing huge.

**Joel Benz:** I just have a couple of questions for you. How much are you currently getting from those fees a year or a month?

**Nick Jordan:** From the State?

**Joel Benz:** Yes.

**Nick Jordan:** For this state fiscal year it is \$200,285 a month or around \$2.4 million a year.

**Joel Benz:** My second question is how much is left in the 911 Fee Fund?

**Nick Jordan:** As of 6/30/2015, \$554,200. Let me clarify. That is the CCP's fund. The CCP has their own fund so when we send them money and the City sends them money, they have \$554,200. The actual "old 911" money on the County side is around \$2.3 or \$2.4 million but I would have to look.

**Joel Benz:** And that is in an interest bearing account?

**Nick Jordan:** Yes but we pass the interest on to the CCP. That is the old money that was there prior to 7/1/2012 and nothing new. That may be \$40,000 or \$50,000 that gets passed along to the CCP that is not budgeted here but it depends on the interest rate that we are receiving.

**Joel Benz:** The third question is that you recently had TRAA move in. Your costs are going to stay flat with that?

**Bill Bassett:** There is no additional cost for that. They fund their own operation for that.

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**Tom Harris:** Okay, Council, are there any other questions? Thank you, Bill. At this point, are there any thoughts on moving them to September awaiting further information? The Building Department is next and I think we have someone from the Building Department here. I understand that you are on the agenda tomorrow but we thought we might talk a little bit about that.

**Dave Fuller:** Dave Fuller, Allen County Building Commissioner. What we are looking at is adding a clerk position, Permit Specialist, for 2016. We are on the agenda for tomorrow for the salary ordinance for that. We have the funds for 2015 between our Extra Deputy Hire and some funds that were left over after retirement and before the replacement was hired to cover that position. For 2016 going forward, we will need funding. Right now we have three Permit Clerks full-time and for 2015 we allocated Extra Deputy Hire money for a part-time Clerk. We have had that position filled and that person left recently to take a full-time job. We are down to three again. Hiring this fourth person full-time will fill the gap that the increase in work has taken place but GM started their first phase last week. There is a great deal of paperwork on a job that size and so our intention is to put this new person out at the GM plant full-time. General Motors is hiring a Special Inspector. They have an engineering company going in and doing all of the soil, concrete, reinforcing and construction steel that we would normally inspect. We are not going to be doing a lot of the inspections out there but will be getting their reports and coordinating with that Special Inspector to cover the inspections for us. That allows our Inspectors to concentrate on the other work that is taking place around the County. That creates a lot of paperwork and coordinating and that is why we want a Clerk out there. You may recall that we did the same thing with Parkview and in that case, the economy was down and we were able to put an Inspector out there who could cover that role rather than a Clerk. In this case, we don't have the inspection time to put someone out there full-time and we don't have the people, staff-wise, to put one of our people out there full-time. That is what this position will do for the next couple of years. At this point in time, the plan is for eight or nine phases in General Motors. All will be starting within the next three to three-and-a-half months and will probably go in the neighborhood of two years. The permit fees that we gain from General Motors alone will more than pay for this salary for the next two years. After that assuming that the economy is holding up that person would come back and be a full-time Clerk in the office.

**Tom Harris:** Dave, the question that I have is along with just the GM project there are other projects that are starting to take off in the same part of the County. Will this person be able to assist in those areas as well or will they be designated only for GM?

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**Dave Fuller:** They will be designated for GM only. The other work that is going on out there, we don't know if they will hire Special Inspectors and so our Inspection staff will be handling the work like they would on any other project. The GM situation is unique with this engineering company doing all of the inspections and coordinating what is associated with that.

**Roy Buskirk:** Is that common that the company hires their own Inspectors?

**Dave Fuller:** It is on large projects. Most of the time on the smaller projects, they will have a testing company come in and do footing inspections, for instance. They may be there one day and not back for another week. In the case of large projects, they bring them in full-time and they have people or technicians stationed there full-time. When the original GM plant was built, the company that I worked for did that role. We had 26 full-time people onsite doing all of the inspections and testing for General Motors. It is a pretty involved process on a project like this. There is a lot of testing to be done.

**Tom Harris:** Very good, Council.

**Roy Buskirk:** When you come before Council tomorrow, I want to give you a heads up that I had a couple of contractors in the last two weeks talking about the phone-in permit system. I guess it isn't working too well.

**Dave Fuller:** It hasn't been for about six or eight months. It hasn't worked at all. Everything is being done through our Clerks.

**Roy Buskirk:** I don't know if you want to continue to the conversation now or wait until tomorrow but what the heck needs to be done to get it fixed?

**Dave Fuller:** That is already in the process. We have a company developing a new system for that and it is just taking time to get it done. It is replacing the IVR system with our phone system that Accela provided us. That is in the works and the same company is developing a wireless system to replace our Accela wireless system that Accela is no longer supporting. It will probably be September before the wireless program is done and probably closer to the end of the year. That is part of this issue too because the Clerks are taking those phone calls for inspections instead of it going through an automated system. They have to take those and put them into the system and are creating a huge workload right now.

**Bill Brown:** I would like to add to that conversation. When we put in these global systems like Accela, we have a similar situation with the Courts. Sometimes we have County systems that have been in place that were very

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effective and efficient and the Building Department is a good example of having that prior. Moving forward on an enterprise level with a system that works well for everyone, sometimes you lose the effectiveness and that happened, to some degree, with the Building Department. With Accela no longer backing that up, I didn't want to leave the impression that someone is sitting on their hands in the Building Department. It is just a situation that we have gotten and the Building Department is doing the very best that they can to make the best of it.

**Tom Harris:** Are there any other questions? Dave, thank you.

**Larry Brown:** I would suggest that we approve that increase. Are we doing this formally with motions and seconds and votes?

**Tom Harris:** I think this is an informal process where we are asking them to come back or not come back and at this point we are saying that they would not have to come back. I am hearing no dissent on that and we will go ahead and move forward that they would not have to come back in the September meeting.

**Roy Buskirk:** The one thing with the Building Department is the fact that they generate revenue that covers this.

**Tom Harris:** Next up is the County Extension.

**Vickie Hadley:** Vickie Hadley, Health and Human Sciences Educator and also the County Extension Director. Yes, we have come to you with a request for additional \$13,000 and as Roy indicated, Purdue comes to us asking for an increase and this year it was 1.5%. We indicated that last year and they said there would be another one this year. For the Contractual Services, it is kind of multifaceted. It is for the five educators that you physically see in the County working but it is also access to the Specialists that are on campus or any research as well. We are not cutting a check to Purdue every time we use their resources. It is just part of the understanding that when you have the Educators in the County, they also have access to anything that is on the campus. There is a step increase with an employee. We took advantage of the Canon Copier program that Purchasing was able to get and we ended up paying \$750 dollars out of the dollars for capital requests. And that was a machine that was several thousands of dollars. We saved a lot of money that way but by the time we put the budget together last year we had no funds left that could be put into the line item for maintenance and repair and expenses for that. So far this year we have already been billed \$4,000 for that. We are only halfway through the year and anticipate that this will double by the time we get to the end of the year. We also do marketing programs that the

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dollars that the Educators are supposed to be using for programming are being used for marketing. We were under budget last year and one of the requests in 2013 was you asked us to do fund raisers. Again, that is against Purdue policy but they have allowed us to do that because it was at your request. We have increased fees and have started charging fees to cover the under-budget requests that we have. Something that has come up since I presented all of this to you is we found out there was a glitch in the computer system at IPFW and we have not been billed fully for telephones. Right now they are trying to figure out what the glitch is and why we were not billed. I anticipate that they are going to come and say that we need to make up for what you weren't billed. I don't know though. We've got them stumped.

**Tom Harris:** I'm sorry, is there anything further?

**Vickie Hadley:** No.

**Tom Harris:** A question that I have is for the Auditor and Vickie. If we approve a 2.2% increase for County employees, do your employees receive that?

**Vickie Hadley:** We have three County employees in our office and so they would receive that.

**Tom Harris:** And yet we are in a situation where if we grant all of these exceptions, we are not able to give those increases to those employees. It is a catch 22 for you. Let me ask, does Purdue have an appeals process? If they tell you that you need to cut so much, do you get to go before a Board and make an appeal?

**Vickie Hadley:** No.

**Tom Harris:** You simply have to cut it.

**Vickie Hadley:** When they come to us and say that you need to get a 1.5% increase, I will be billed for that. If you choose not to approve the full amount, I still have to come up with the money. I have to figure out some way to pay that.

**Tom Harris:** And yet in the County system, allows you to come back in September and make a case should you have an interest in doing that. Council, are there other thoughts or questions?

**Sharon Tucker:** Vickie, the surprise that you have with the billing of the phone system, do you have any indication of an amount that it might be?

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**Vickie Hadley:** I am guessing that we are looking at \$2,000.

**Tom Harris:** So, in essence, that \$13,000 would turn into \$15,000?

**Vickie Hadley:** Could be.

**Sharon Tucker:** The 1.5% is roughly \$2,500?

**Vickie Hadley:** \$2,170.

**Sharon Tucker:** And you have mentioned that if Council decides not to grant the entire request or a portion of your request, you have to come up with the funds, how do you consider coming up with those?

**Vickie Hadley:** Again, with the fees that we are charging people, it is very unpredictable. We have no idea of how much will be coming in. We hope there will be enough sitting there. If we get to the end of the year and we are out of money, we are going to have to do just like people do in their homes. There is no money left and so we won't be paying bills. We will take the hit on fees or whatever occurs.

**Tom Harris:** Is there anything else, Sharon?

**Roy Buskirk:** I have a question and you mentioned the copy machine that you purchased this last year. That would be a capital item and Council typically pays for capital items throughout the whole County. Did you pay for that?

**Vickie Hadley:** No. We came to you and you allocated for the purchase of the machine. I have the expenses of operating the machine that I still have to pay for.

**Tom Harris:** Vickie, any more information that comes between now and September from Purdue, does more information come to you?

**Vickie Hadley:** No.

**Tom Harris:** So you have gotten everything from Purdue at this point.

**Larry Brown:** Except the phone bill.

**Vickie Hadley:** Yes, except the phone bill.

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**Sharon Tucker:** Just for a point of clarification, the County pays for the three County employees and we have to supplement one-third of the five Educators.

**Vickie Hadley:** Yes that is the 1.5%.

**Tom Harris:** Are there any other questions? Vickie, thank you. Council, how would you like to proceed? Do you want the County Extension Office to come back to us in September? I am seeing a few yeses on that.

**Larry Brown:** That is my preference.

**Joel Benz:** Yes, if her numbers are going to change.

**Tom Harris:** At this point, we are approving that but asking them to come back for an appeals process. Next up is Voter Registration. Is there anyone here from Voter Registration? This is a number that was indicated that it is an appropriate amount, Nick, based on the fact that there is a Presidential election next year. If it was a wrong amount, that number would just rollover anyway.

**Nick Jordan:** Yes, I feel, in this regard that it is warranted looking at the 2012 actual expense.

**Tom Harris:** Council, are there any questions?

**Roy Buskirk:** That is something every year with Voter Registration and the Election Board with it being a non-election year or a Presidential or a City. I have no problem with increasing it because of the fact that a year before was not a Presidential year and that is always the heaviest. I have no problem approving it.

**Tom Harris:** If we go ahead and approve it, they would not have to come back in September. We have consensus on that as well. Next is Information Technology. Is there anyone here from Information Technology? It appears, from my perspective, that the number continues to move a little bit and things keep evolving a little bit within that area. Even the recent note we received is that part of the Clerk's Office is now is required to do more online processing and such and saving information. That is a big number and it would be a significant piece of this entire amount. Is there a thought to have them come back before us in September?

**Bill Brown:** I will just chime in here, being on the iMap Board and these were discussed and these are cost savings type of expenses. It is going to be a very

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important element. I don't see how it would change a lot but I always think discussion is beneficial. Having said that I think coming back would be a good idea.

**Tom Harris:** We are not holding anything up, obviously as this is a 2016 budget item. Are there any other thoughts on that? Is everybody okay with that? With that we will have them come back to us in September. Soil and Water is the next department. Is there anyone here from Soil and Water? Are there any thoughts, questions or comments, Council?

**Roy Buskirk:** Yes, I will talk to them. If they are able to get it from grant money, I know they were splitting the Office Manager's wages through different grants. I'll talk to them.

**Tom Harris:** Roy, thank you and I noticed in their letter that they referred to a variety of grants and they are pursuing those each year as they do. We may find between now and September that a few more grants have either been applied for and/or received so that could impact the \$9,000.

**Roy Buskirk:** Part of the problem is we work with the State and they work with the Federal government. Sometimes the communications are not the greatest.

**Tom Harris:** Is everybody comfortable with having Soil and Water come back in September? Okay, very good. Superior Court, I think we have someone from there.

**John McGauley:** John McGauley, Court Executive for Superior Court.

**Leslie Blevins:** Leslie Blevins, Financial Coordinator.

**John McGauley:** As Nick mentioned earlier, the bulk of our request is the two Case Manager positions at our Criminal Division Services. We went to the user fees a long time ago to try to support that operation when County General was hurting, quite frankly. We are at a point now where we are paying about 70% of the cost of CDS out of fees. We are even paying the lease on the building back to the Commissioners out of the ACP User Fees. We are at a point where it is not going to support it anymore and I would point out that we are asking you to help us with a couple of positions. We are taking care of a couple of positions on our own, absorbing one back into our existing budget that has a small piece of it that is shared between user fees and General. We are looking at a couple of eliminations. We have cut back everywhere that we can and have left positions open as long as we possibly could. We have renegotiated every contract that they had over there and we

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are at the point where we have to ask you for this. That is the bulk of our request today. As Nick also mentioned, we are asking for \$25,000 in additional money for our interpreter costs. It may have been you, Councilman Harris, who said when I first got here that you would like to hear from us an honest budget on what these things cost. The cost of interpreters has gone through the roof. As we go through the year, we are borrowing from all of our funds and transferring wherever we can to cover that and we are bringing you an honest budget this year on what interpreters are going to cost us. In the last four or five years, our numbers have gone up from about 2,100 hours to 3,500 hours of interpreter services that we have to foot the bill for. That is a non-discretionary thing that we have to do. We don't have any choice and that cost is likely to get higher because of a lawsuit that took place in the Southern District in Indiana in Federal Court regarding sign language interpretation. We were actually at conference yesterday in Indianapolis where the State basically told us in the future when those requests for additional sign language interpreters come through we are just going to have to say yes. It is not something that we want to do; it is something we have to do. That piece is bringing you an honest budget. There are a few dollars there where we are trying to fund a Court Reporter position in Small Claims Court. We have three Magistrates operating with two Court Reporters. You are probably asking how you get a Court Reporter for \$4,000. You don't. We are making choices elsewhere in our budget instead of coming to you for all of that. I think that is the bulk of it.

**Leslie Blevins:** There was the additional \$4,000 for the Criminal Floater in Extra Help.

**Tom Harris:** An extra \$4,000?

**John McGauley:** Yes, I mentioned it as another position but it is a Criminal Court Reporter Floater for our Criminal Division. We are asking for \$4,000 for what we anticipate will be a lot higher cost than that but we are going to find that elsewhere in our budget.

**Tom Harris:** The cost for the interpreters, how much is the cost per hour? You pay per hour, I would suspect.

**John McGauley:** We pay per hour depending on where and what the service is. There can be a minimum of two hours but all of our interpreters are raising their fees for next year.

**Tom Harris:** Based on the Court decision in Southern Indiana.

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**John McGauley:** And based on certification requirements. We are supposed to, to the greatest extent possible, use certified interpreters. A lot of the cost that they are asking us for is as they try to get more of their interpreters certified. To their credit, our major interpreter provider held his fees at a set rate of \$50 an hour for years and years and years. He has come to us this year and said that he needs to bring this up to just the cost of doing business.

**Tom Harris:** To what?

**John McGauley:** Sixty.

**Tom Harris:** And so the biggest bulk of that increase represents an increased demand in hours or an increase in pay?

**John McGauley:** It's a little bit of both. Right now we are experiencing an increase in hours. We are providing interpreters in most of our Courts all day, every day. We will see that increase next year as they bump up their rate.

**Tom Harris:** One of the opportunities that I had was to work with the Superior Court Judges when I was the liaison for the Courts and one of the challenges that we had was to establish a number during the budget process and say let's stick with that. Or not necessarily establish that number but come back to us next year, mid-year, and say what you need. You would be stating that this increase in the interpreters would get you there.

**John McGauley:** Yes.

**Tom Harris:** So you wouldn't be coming back in mid-year to say we need more.

**John McGauley:** No and we didn't come back this year or last year, I believe, we just found it elsewhere. We economize wherever we can.

**Tom Harris:** Thank you and it is greatly appreciated. Council, are there any questions?

**Bill Brown:** This is an ongoing issue, more and more interpretation.

**John McGauley:** Yes.

**Bill Brown:** I am not talking about for 2016 but do you anticipate in the future that at some point in time there may be some sort of electronic conversion for interpretation?

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**John McGauley:** I believe that factors in to Trial Rules, State Rules and Local Trial Rules but I believe to a great extent that you have to have someone present in the Courtroom. There are instances where we have to go out and provide that. There are some pretty exotic languages where we have had to go out to things like Court Call, Language Line and things like that to provide interpreting services because we just had to.

**Bill Brown:** It just seems like with the knowledge that is available locally of all of these different languages and to try to get it accurate, at some point in time it would seem like electronic translation, the technology would be better. At some point, its time may come.

**Tera Klutz:** Robots?

**Bill Brown:** I am not talking particularly robots but we used to do everything, all sales transactions were done with paper and pen or pencil and before that stone and charcoal. We transfer so many things through magnetic strips on credit cards and that kind of thing. To be clear, I am not talking about this being next week or next year. I am curious to on rules and legislation that would maybe make that not possible. It would be interesting to know about that as time goes on.

**John McGauley:** There are preliminary discussions and we have had some conversations about allowing us to bring some of the interpreters in via electronic means but still a person. We have had a couple of multi-days trials already this year where we have had to fly people in from out of state because the languages were so exotic and we couldn't find certified interpreters in the local community. I may have told this in a previous meeting but we had to crowd source one. We needed a Romanian and we had to go out to social media to find a Romanian interpreter and we found him in the sales staff out at Sweetwater Sound. We are doing everything we can and I think there may be some flexibility. Everybody in the State is running into the same problem.

**Bill Brown:** And that goes right to the heart of the question I am presenting. You fly someone in from somewhere or you found someone through crowd sourcing that works at Sweetwater, how do you codify that it's an accurate translation?

**John McGauley:** The certifications. One of the requirements of the grant that we get from the State of Indiana that we try to the greatest extent that we can to get certified interpreters. We can't always do it. The gentleman we found out at Sweetwater certainly didn't have a certificate because he spends his day selling electronics and I think that was his first experience in coming

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to Court to translate. The defendant was happy and the Judge was happy. We know we have to bring them in on occasion where they are not certified but we are required to try to do that.

**Bill Brown:** It seems that you would anticipate a parallel system at some point then. Thank you.

**Tom Harris:** Council, any other questions?

**Roy Buskirk:** I heard yesterday that the trial in South Bend with the gentleman that blew up the homes in Indianapolis that now there is going to be one in Fort Wayne for another one of the defendants? Do we get any cost because of that?

**John McGauley:** We get it back. Our defendant is Bob Leonard and it is from the Richmond Hills almost three years ago. If he is not somehow swayed by what happened to his step-brother in South Bend yesterday, we will have substantial cost. Marion County reimburses us for that because they moved that case to us. We get the money back but we outlay a substantial sum of money.

**Tom Harris:** The grants that you apply for the interpreters, it is coming from the State?

**John McGauley:** Correct.

**Tom Harris:** There is some thought that with the DOC keeping a lot of those funds and by keeping people at a local level they are having more funding. Is there a possibility that those grant amounts increase because they may be able to give more of that money back to local communities through grants. I recognize that I may be crisscrossing departments but would there be a possibility that the grant amounts increase in the coming months?

**John McGauley:** I don't think there is any applicability between what is going on with the DOC and the sentencing changes that took place. They have laid out additional money for the grants that have been made available to local communities for interpreter services. We just got ours for 2015-2016 a few weeks ago and we were able to make our case and they gave some additional money. I believe our grant is \$10,000 higher than it was before. Our numbers are that compelling and they are also aware of the changes coming down the road with sign language interpretation. The General Assembly was good enough to make some additional money available there. Again, we are not coming to you for all of it. We have also gone to the State for a piece of it as well.

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**Tom Harris:** If we were to do some kind of an increase, 2% or 2.2%, how many employees are impacted by that?

**Leslie Blevins:** In County General, it would be about 95.

**Tom Harris:** Okay. You can see the challenge before us to make sure that we can meet some of the needs that these departments, including your own, come in above it yet still provide an increase. We are trying to find that balance. Council, are there other questions?

**Bill Brown:** I, for one, am satisfied that this is going to be a necessary expense.

**Larry Brown:** Me too.

**Tom Harris:** Okay. Is there a thought to have them come back or a thought to go ahead and proceed?

**Roy Buskirk:** Would you have better numbers in September than you do today?

**John McGauley:** I don't think so. I think our numbers are pretty easy to predict.

**Roy Buskirk:** I see no reason to have them back.

**Tom Harris:** Are there any other thoughts on that? Thank you very much. The question that I would have is the 2.2%, what does the .2% represent in terms of cost to the County?

**Nick Jordan:** \$110,000. Two percent would be \$1,102,201.

**Tom Harris:** What we are saying Council is if we approve the \$165,139, it is obviously chewing into the overall increase to County employees. That is something to kind of factor in if you don't want them to come back. It could impact what we can give as an increase.

**Tera Klutz:** Jackie, do you have a number after this?

**Jackie Scheuman:** You approved \$169,639 because we have the \$50,000 decrease from Maintenance.

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**Tom Harris:** And the difference from the Sheriff's Department too. The fact that it is down has put us in a better position?

**Tera Klutz:** How much of the \$331,937 is left after the approvals today and factoring the \$50,000 decrease?

**Jackie Scheuman:** \$170,298.

**Tera Klutz:** Okay, So \$170,298 is left to answer or address the other issues that are coming back before you in September. The way to increase that amount is to lower the raise.

**Tom Harris:** The challenge that we have before us is the CCP is still coming back for \$348,224 and we would only have \$170,298. In essence we would be saying that we can't grant some of those increases.

**Roy Buskirk:** But with the CCP, we have the "old 911" money of \$2.3 million that we could use part of that.

**Tom Harris:** That's true.

**Roy Buskirk:** I think we are still in pretty good shape for the 2.2%.

**Bob Armstrong:** So that I understand this, the CCP number of \$348,224 is the County's half?

**Larry Brown:** Yep.

**Tera Klutz:** That is what they think the County's half is going to be. We haven't seen a full budget yet. There-in lays the answer of what that number is going to be. It says 30% of the Radio Shop that's inside their budget and I want to see how that shakes out.

**Roy Buskirk:** We still have some floating numbers. But there is one source of funds that we need to remember.

**Tom Harris:** Okay, Council, what I am hearing is we are okay with Superior Court's \$165,139 and they would not have to come back in September. Is everybody in agreement on that? Let's just recap. We will have CCP come back. We would have County Extension come back. We would have IT come back. We would have Soil and Water come back.

**Tera Klutz:** Unless things change and they don't need to come back and appeal.

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**Roy Buskirk:** With IT, they are also asking for \$256,000 of capital. I understand that but what is the \$76,500 for?

**Larry Brown:** It is for the new position for the City and County.

**Roy Buskirk:** For the Permitting Board?

**Tera Klutz:** The \$76,500?

**Tom Harris:** Is that not the case?

**Bill Brown:** It is GIS and the Cloud.

**Sharon Tucker:** It is \$50,000 for that and \$26,000 for the maintenance.

**Roy Buskirk:** I wish there was an index.

**Tom Harris:** That probably validates the reason that we need to have them come back before us in September to make sure that we have clarity before we pass that. Those four departments will request to come back before us.

**Bill Brown:** Could we talk a little bit? Soil and Water, we are anticipating that they are going to garner some grants by then?

**Tom Harris:** They already have pretty extensively in their entire budget. In their letter they indicated that they are continually pursuing additional grants but whether they will know that by September, we are not sure. Do you want to talk more about that Roy?

**Roy Buskirk:** Soil and Water works almost entirely on grants. Federal grants for clean water, erosion control and things of that. They have different individuals that work in their office and goes out with a lot of educational items, City drillings and to the farming community. Right now we are having a lot of problems with the Great Lakes because of the Maumee going to the Great Lakes. They are receiving different grants but they don't know for sure how much each of these grants is going to be. What they have been able to do for the past couple of years is to charge and show different hours are doing work on a particular grant so they can reimburse them for whatever expenses they have had. With their Office Manager, they have been able to spread that out over numerous grants and get little funds from this grant and little funds from that grant to be able to pay the wages. This amount here is what was added to the Office Manager expenses a couple of years ago. I will have to talk to them in more detail but one time they were talking about making sure

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they had those expenses covered and that was the reason they were going to put them into the County budget. I will talk to them and think we can get that covered by grants, hopefully.

**Bill Brown:** That was my question. So there is a high anticipation that it will be covered by grants because they do seem to be under duress at some points and that is such a big, important feature.

**Roy Buskirk:** I forget what the return is but for every dollar that the County spends on Soil and Water, it is like 11 or 12 to one that they are getting in grants.

**Tom Harris:** If I can ask the Auditor, we are looking at a 2.2% proposed increase to employees, now we are not passing this today rather we are making a recommendation to departments to go back and factor in the 2.2% into their budget and they resubmit that for our ultimate numbers that come back to us and we pass the budget at that point. We use the 2.2% because that number came to us through the State. What might that average increase be? What are you seeing or hearing and have you had a chance to look at that? I was wondering what average increases are being looked at for 2016.

**Tera Klutz:** We do look at all of the tax units in Allen County but they don't have to report their budget to us until September 2<sup>nd</sup>. I had a meeting with the Northeast District Auditors last Friday and they are offering a range of two and three percent. It is a stark difference from four years ago when raises weren't being offered at that time.

**Tom Harris:** That is something that I generally look at. I've not see sixteen numbers but just across the board in industry, what kinds of numbers are being looked at for 2016 as far as HR departments, if you will? Council, in essence, what we would be doing today is telling departments to go ahead and figure in a 2.2% increase, put your budget together and bring it back in September for approval. Am I saying that correctly?

**Tera Klutz:** Yep. We will have budget hearings in September. From this meeting, Jackie will get together allocations and submit instructions to each of the departments. Budget forms have to be completed and entered into our finance accounting system. Those are due in August and anybody who is appealing their allocation will get a time slot for the September meeting. At that time you will review all of the appeal budgets. Also, you will review the other tax units in the County for a non-binding review. You will give the Airport a binding review and Solid Waste a binding review. In October you will adopt the final budget.

## ALLEN COUNTY COUNCIL MEETING MINUTES

**Tom Harris:** In that September timeframe, we can ask any department to come back before us as well. It wouldn't have to just be the appeals. They can talk about their budgets. What we haven't talked about yet is capital. If there would be an interest in talking about some of those capital line items that they placed, it doesn't stop the conversation by moving forward, at this point.

**Tera Klutz:** I would add that historically, for capital and as Nick expressed, a lot of departments lay out what capital needs they may foresee. The direction has always been that we need to know what is coming down the pipeline and as those needs happen, they gather quotes and work with Purchasing and come to the table often for much less than they put on the paper. That is either granted from this year's rollover balance or oftentimes that \$450,000 shown for this year and was set aside in Council's budget is used for those one-time capital expenses. They can still come during the rest of this year. They don't have to wait until next year. If they have a need now, they can just come.

**Tom Harris:** All right, thank you. Council, are there any further discussions?

**Roy Buskirk:** 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 10:03.