

**ALLEN COUNTY COUNCIL MEETING MINUTES  
SEPTEMBER 17, 2015  
8:30 AM**

The Allen County Council met on Thursday, September 17, 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, binding and non-binding reviews, budget appeals 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: 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. As we start our meeting this morning, first we will have the County Council regular meeting and that will be followed by the budget hearings. That will start after the Council meeting this morning. First on the agenda is the approval of the August 20th meeting minutes. Are there any additions or corrections?

**Roy Buskirk:** Move to approve the minutes from August 20, 2015.

**Sharon Tucker:** Second.

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

**Tera Klutz:** Good morning, Council. In your packets are the August financial statements for the General Fund and each of the Major Funds. I am happy to report that through the end of August, which is 66.6% of the year, we have collected almost 70% of our projected revenue. We are about three percent over our projections which is right where we want to be.

**Tom Harris:** Council, are there any questions or comments on the financial report?

**Bill Brown:** I will make a motion to accept the financial report.

**Larry Brown:** Second.

**Tom Harris:** We have a motion and a second. All in favor say aye, all opposed same. The motion passes 7-0. Next is the unemployment rate.

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**Nick Jordan:** Good morning, Council. On the agenda you see the June and July unemployment rates and Allen County stayed the same at 4.5%. Indiana stayed at 4.8% and the National went from 5.5% to 5.6%. I would like to note that if you looked back at July of 2014, the labor force has increased around 2,100. The employed people have increased about 5,700 and the unemployed have decreased around 3,500. That is a big improvement from July of 2014.

**Tom Harris:** All right. Is that 2,500?

**Nick Jordan:** The labor force went up approximately 2,100. The employed went up approximately 5,700 people. The unemployed dropped approximately 3,500.

**Tom Harris:** Thank you. Is there any further discussion there, Council? Thank you, Nick. We are going to move directly to the Sheriff's Department.

**Troy Hershberger:** Good morning, Council, Troy Hershberger, Deputy Chief, Allen County Sheriff's Department.

**Tracy Mitchener:** Tracy Mitchener, Assistant Director of the Human Resources Department.

**Dawn Kennedy:** Dawn Kennedy, Compensation Specialist.

**Bill Bassett:** Bill Bassett, Communications Partnership.

**Dawn Kennedy:** The position that the Sheriff's Department has brought today is an IDACS/Spillman Administrator. HR is recommending it as a POLE 4 at 40 hours a week and non-exempt. The department is here to speak about it today.

**Troy Hershberger:** The job that we are asking for is the IDACS/Spillman Administrator, as she said. IDACS stands for Indiana Data and Communications System. It is a system controlled by the State Police and it ties all local Police agencies together and ties into NCIC, the national system. This position, IDACS is controlled by the State Police as I said and the position is responsible for the training and the various levels of recertification of approximately 225 employees of the Sheriff's Department. With that position, they have to maintain compliance, terminal checks, audits, criminal histories and so on and so forth with the job. I would like to give you a whole lot more than this but I am not all that versed on this position in that great of detail. I do apologize. To give you a little background on the IDACS position, it was held by a person within the Communications and Dispatch. When the Dispatches were combined, that position migrated over with the CCP and we didn't have a position with that expertise. This is why I brought Bill to the table today. During a compliance check with an Officer, it was requested that the position be part of the agency that they serve and not another agency.

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**Bill Bassett:** Correct, through an audit check, they were requesting that the Coordinator for the department should actually work for the department and not at a separate department as it stands today.

**Tom Harris:** Explain that maybe. Why? There must be some rationale for that.

**Bill Bassett:** What they are trying to do is keep some consistency within the organization so that one person oversees their department. Currently we oversee the Sheriff's Department for IDACS and also our own. We will have our own IDACS Coordinator and under State regulations, they would like to see one in the Sheriff's Department that actually controls their operations.

**Tom Harris:** I see. Bob.

**Bob Armstrong:** So does this person work under your jurisdiction (pointing to Bill Bassett) or stay in yours?

**Bill Bassett:** No, it will be under the Sheriff's jurisdiction.

**Bob Armstrong:** But working out of the CCP Office?

**Bill Bassett:** No, it will be a separate person, new person for them.

**Tom Harris:** The responsibilities, we talked about this at the Personnel Committee, that are currently being done by your department are an addition to the current incumbent's job description and duties.

**Bill Bassett:** That is correct.

**Tom Harris:** So they are doing something in addition to what their normal job is. It is not that you need to reduce one member of your staff.

**Bill Bassett:** Right. We actually have three people that work in tandem together to perform those duties. We want to transition from those three people to one full-time for the Sheriff's Department. We will keep our three that are doing their responsibilities on our side.

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

**Bob Armstrong:** It says here that you need additional funds for 2016. Where are you getting that money from?

**Troy Hershberger:** It would have to be additional money that we would request. We are able to cover it in the budget for this year but for next year, I guess it comes down to discussing whether we fill the Finance person or not. We would have that money on the table and we had a plan in place but it is kind of still up in the air. We have to get an

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answer from the Sheriff as to if we move forward with that position. At this point, it would have to be additional money.

**Tom Harris:** Is this position already included in the 2016 budget?

**Troy Hershberger:** This position is not. We could have the money through the open Finance position.

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

**Bill Brown:** I do have a question. Moving forward with this position and the vacancy, the funds for 2016 for the Finance Officer, it does seem to leave a funding gap. Do we need to discuss that a little bit prior to this decision?

**Tom Harris:** We wouldn't, necessarily. We can but in speaking with the Sheriff's Department, they were to let us know by today but they are still in discussion and have not let us know their final decision on whether to have or not to have that position. We are waiting on their decision on that position going forward.

**Roy Buskirk:** I would suggest that we eliminate that position in order to fund this new position. If they want that position later, we can take that under consideration at that time.

**Tom Harris:** Is that something that would be discussed during the budget process or would we do that now in terms of eliminating that position?

**Tera Klutz:** If you approve the salary, you would eliminate the Finance Coordinator during the 2016 process you could delete that salary line. Then it would be funded or additional money would be allocated to the Sheriff's budget to fund this position in 2016.

**Tom Harris:** I think, with due respect, in speaking to Troy this morning and such, they are discussing it and for us to take that off the table might be a bit early at this point. The Sheriff said that he did want to consider that and he told me that personally. He said he may consider going forward with that position.

**Bob Armstrong:** Can we then take just approve the position and the pay for this year until a decision is rendered?

**Tera Klutz:** No, because you wouldn't treat an employee with "Here is a four-month job" and that is why the answer is no. Basically, if you approve it now, you are agreeing to fund it one way or another. That is what is important.

**Tom Harris:** Then we will have an opportunity for you to come back and eliminate that position if that is what the Sheriff wants to do.

**Tera Klutz:** Next month would be your only option to do it. The Sheriff can do it whenever.

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**Tom Harris:** Right. So are there any further discussions or comments, Council? Hearing none, is there a motion for this position?

**Roy Buskirk:** I will make a motion to approve, Bill do you have the salary ordinance?

**Tera Klutz:** You can just read what is on the agenda. That is fine.

**Roy Buskirk:** Consideration of the salary ordinance for a new position, IDACS/Spillman Administrator, POLE 4/2 at \$42,565, non-exempt.

**Bob Armstrong:** Second.

**Tom Harris:** We have a motion and a second.

**Larry Brown:** So we need to specify a start time?

**Tera Klutz:** It is effective today.

**Tom Harris:** Is that necessary as part of this motion?

**Tera Klutz:** No. The salary ordinance says it is effective on this date.

**Tom Harris:** All in favor say aye, all opposed same. The motion passes 7-0.

**Troy Hershberger:** Thank you very much.

**Tom Harris:** The next item is the Jail Equipment.

**Nick Jordan:** Tom, based on our conversation, Sheriff Gladieux and Chief Deputy Edwards weren't going to come this morning. They came to the last meeting and talked about this and this is just the timing of it. We were able to get the appropriation advertised. There is \$325,000 on there but it is actually \$300,000 and I just put in \$25,000 as a contingency. As you see the quote, in your materials, you see it is at \$300,000.

**Tom Harris:** So the motion would be a \$300,000 motion.

**Nick Jordan:** You can put it at the \$325,000 but they will only spend \$300,000 unless something does come up. It allows the \$25,000 if something does come up instead of making them come back again.

**Larry Brown:** So, does that mean, the \$300,000 is the actual quote.

**Nick Jordan:** Yes.

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**Larry Brown:** A contingency is always good. It would be best advised to make it \$325,000.

**Nick Jordan:** That is what I thought. If you are updating stuff that is twenty years old, you don't know what they are going to run into. \$325,000 is the appropriation and \$300,000 will only pay what the invoices are.

**Bill Brown:** I think we all understand that this is a needed item and I have met and talked with the Sheriff and his staff regarding the need for this equipment.

**Larry Brown:** Was that a motion?

**Bill Brown:** I will make a motion to approve the appropriation in COIT Safety Fund 120 for Jail Equipment in the amount of \$325,000 noting that \$25,000 is a contingency over and above the \$300,000 contract.

**Roy Buskirk:** Second.

**Tom Harris:** **We have a motion and a second. Is there any further discussion? All in favor say aye, all opposed same. The motion passes 7-0.** The next item up is the Assessor.

**Ryan Kueneke:** Ryan Kueneke, Chief Deputy Assessor.

**Dawn Kennedy:** The position that is coming up today is technically a new position. It is an Inheritance Tax Deputy going from an OSS 4/4 to a Business Personal Property Senior Auditor. HR is recommending a PAT  $\frac{3}{4}$ , non-exempt.

**Tom Harris:** Ryan, do you want to talk about this position?

**Ryan Kueneke:** Yes, we are just concluding our three-year audit process with a vendor, Tax Management Associates, and that is ending in November. This position that we are kind of transferring to our employee is an extension of that. He has been going out in the field with our vendor, learning the process that they follow. Since the Assessor is required to audit all Personal Property Returns, he is going to take over that process.

**Tom Harris:** So, in essence, the vendor relationship would stop?

**Ryan Kueneke:** We are still debating that. We can do a month-to-month after the three years is up. I believe November first is the date and so after that we can choose whether to continue that on a maintenance basis where we could still do periodic audits and not end the contract. We can choose to end the contract and disburse the money that has been collected. That is still under debate until we get to the end and see how much money is left in the fund.

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**Tom Harris:** Council, are there any questions or comments? This did have ample discussion at Personnel Committee as well.

**Bill Brown:** I will make a motion for Department 9, Assessor, consideration of a salary ordinance reclassifying the Inheritance Tax Deputy, OSS 4/4, \$35,298 to Business Personal Property Senior Auditor, PAT 3/4, \$41,522, non-exempt.

**Bob Armstrong:** Second.

**Tom Harris:** **We have a motion and a second. All in favor say aye, all opposed same. The motion passes 7-0.** The next item up is with the Commissioners.

**Larry Brown:** I didn't mean to interrupt but that organizational chart is something that we asked for during Personnel Committee. Bill, if there is an extra copy, I gave mine away.

**Bill Brown:** Yes and it was very well done.

**Tom Harris:** They did that, not us.

**Bill Brown:** I realize that but it is very well done.

**Tom Harris:** Please introduce yourself, for the record.

**Chris Cloud:** Chris Cloud, Executive Assistant to the Board of Commissioners. In 2007, we acquired property from the former Washington House. Community Corrections used it to run a new program. When Kim Churchward came onboard, ACCC re-evaluated programs and made a difficult decision to close that program. We were left with a building that is of no value to us. We acquired the property for free and we have had to put some money in it, over the years. It is in a floodplain and cannot be added onto so it has truly no value to us. Its best intended use is like it is built out now. Wanting to keep a similar program running, from a non-profit in the building, the Commissioners were starting to receive queries from people wanting to get the building. We developed sort of a rubric that it sort of needs to be something that addresses alcoholic dependency or drug dependency because that was the nature of what they were trying to do at the Kelley House. They needed to be financially sustainable, be a 501(c)(3) and a list of other things. It whittled down to a group that was doing an existing Jail ministry but it was more of getting guys' lives back on track. It is an interesting cross section of people who are involved in that. They, along with some folks who were involved with the Washington House previously, put a business plan together for us and so we are requesting permission to transfer the property to them. We don't really need your permission because the Commissioners have the authority to transfer to non-profits but because the property does have taxable value, Mr. Fishering, the County Attorney thought it would be best to follow the State Code that says when we are selling property that has value, we come before you for permission. Even though there is no sale, per se, it does have value and you need to be aware of that. Again, we would have no use for this property.

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**Tom Harris:** Chris, The organization that is acquiring this, were they existing already?

**Chris Cloud:** Yes. They were already a 501(c)(3) and I believe they are going to transition to, it is going under their name but I think with this new entity, they are going to set up their own in the future.

**Tom Harris:** Councilman Brown.

**Bill Brown:** I think this is a great landing for this building. When the Commissioners put this together, it was a much needed item because so many people in the Jail and the criminal justice system had these dependency issues and to get it conveyed to an entity that is going to continue with that work and I think you are all familiar with the Faith Based Ministries Mentoring. It is an extraordinary group of volunteers who spend their precious free time dedicated to a mission helping to get into folks and help them understand how to change their lives and be more productive citizens. I think it is a great outcome so good job.

**Tom Harris:** Councilman Buskirk.

**Roy Buskirk:** Actually, I serve on the Advisory Board and they have been around for several years. They work a lot with trying to give people a skill so that they can find employment after they have been incarcerated. The Kelley House is one of those situations in which the State had grants and funding programs so that the County was able to run a drug rehab program. That funding from the State dried up and that would have been a lot more expense on the County. As Chris said, the property is in a flood plain and you can't build onto it or anything of that type. One way to look at it is that the County is able to get rid of a liability and this organization has stepped up and said that they are willing to take the property on and utilize it. I think they want to start out small with six to eight people to begin with. The building will house, I think a dozen.

**Chris Cloud:** It can house much more than that. They gave us a number of what they hoped to have and that is forty.

**Roy Buskirk:** Anyhow, because I serve on the Advisory Board, I will abstain from the vote. I do highly recommend it.

**Chris Cloud:** A little more about them, it is a faith-based mentoring but the faith part is a voluntary component. They don't turn anyone away because they don't have a faith or a different faith. Their goal really is job skills. It is a live-in, residential type thing and there is no cost to the people who are participating. They are trying to take people with some sort of addiction and keep them out of jail or trouble by helping them get job skills in a controlled setting and address their behavioral issues. The Commissioners really appreciated the fact that they addressed recidivism as part of what they are trying to accomplish. We appreciate that because we know how costly it is to prosecute and jail people. It seems like a good fit for us, as a County, and a win-win for both sides.

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**Tom Harris:** Council, are there any other questions or comments?

**Bill Brown:** I will make a motion for the Commissioners, Ordinance 2015-09-17-01 for conveyance of the Kelley House property to Faith Based Mentoring Ministries.

**Larry Brown:** Second.

**Tom Harris:** We have a motion and a second. Is there any further discussion?

**Bill Brown:** I just want to reiterate that this is a great example of other folks taking care of the critical issues that we have in Allen County. I am repeating myself but the more things like this that can take place and with volunteers in the private sector, the better off we are as a community.

**Tom Harris:** With that all in favor say aye, all opposed same. That passes 6-0-1 (Buskirk abstained). Next up is NIRCC.

**Dan Avery:** Good morning. My name is Dan Avery and I am the Executive Director of the Northeastern Indiana Regional Coordinating Council. I am here today to ask for the reclassification of two positions. These two positions work primarily in the Community Development Section. NIRCC is kind of broken into two sections. One focuses mostly on transportation planning activities and the other focuses on community development activities. The Community Development has been growing over the last ten years. It is something that we have nurtured along slowly and carefully. With the assistance of the Human Resources Department, we did a reclassification of all of the positions to make sure that they were properly classified. I asked that they give some special attention to these two positions because it was my feeling that as that section has grown and I have backed away from it as it has gotten busier and expected staff to take on more responsibility. They have stepped up and done that. I wanted to make sure that those positions were assessed properly. There was concurrence from Human Resources that these two positions should be bumped up.

**Tom Harris:** We don't hear from you as often as we do some other departments but for the benefit of the public, can you tell a little bit about the responsibility of the your department?

**Dan Avery:** The department, as a whole, is responsible for all of the transportation planning in the region. We serve a four-County area which includes Dekalb County, Adams County, Wells County and Allen County. We are primarily funded based on Federal reimbursements through the Indiana Department of Transportation. We also receive contributions from each of the Counties towards the budget as well as grant administration and grant services and fees for all of the grants that we work with in the small communities. These two positions are in the area of working with the communities in both Allen County and the three other Counties procuring grants for utility infrastructure, water, sewer and storm water type projects. We have worked on

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brownfield grant programs to help assess properties that are potentially contaminated in order to bring them back into a state where they can be redeveloped. We have had a fair amount of success with that. Decatur jumped onboard with that quite quickly and revamped an old hospital. We are working with Bluffton and Grabill and a number of communities. We also do Labor Standards Work on a project that has Federal dollars tied to it. There is a requirement that the job be consistent on its wages with the Davis-Bacon wages. My staff assists the communities so that they stay in compliance with those standards. We are a regional planning organization working with those four Counties. We are also a metropolitan planning organization. As far as transportation, we work with primarily with the City of Fort Wayne, New Haven, Allen County and the towns of Grabill, Leo-Cedarville and Hometown that are in the urban area to make sure that we have a consistent transportation plan. There is an agreement amongst all of those bodies to what roads need to be improved and the Indiana Department of Transportation is also a part of that group. We collectively sit and decide where the investment should be made so that we don't end up with one road being widened.

**Tom Harris:** Dan, you are looking out into the future and is that two to five years or is it much farther than that?

**Dan Avery:** We look at two different windows. We look about five years out from a funding standpoint and staging and programming projects. We look at about thirty years out as to what the future needs are. On the highway side, we work with the transit corporation and we do a lot of work on the trails. We work with various trail groups.

**Tom Harris:** With the anticipated growth for northeast Indiana, a lot of those things come your way, I suspect. Council, are there any questions or comments? Councilman Buskirk.

**Roy Buskirk:** When you get reimbursed by the State and the Federal, the money goes into the General Fund?

**Dan Avery:** Yes, sir.

**Roy Buskirk:** That is one of these things that with some of the Highway money, you might think that this is coming out of the General Fund budget, which it is but then it gets reimbursed and put back into the General Fund.

**Tom Harris:** Councilman Armstrong.

**Bob Armstrong:** You are asking for additional funds for 2016. Where are they coming from?

**Dan Avery:** The additional funds for 2016 for the salaries, a total of about \$14,300, I would ask for those to come from the General Fund.

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

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**Roy Buskirk:** I will make a motion for consideration of a salary ordinance reclassifying the Finance and Grant Administrator from PAT 4/2, \$42,383 to Principle Planner, PAT 5/2, \$46,582 non-exempt. Do we need to do them separately or can we do them all together?

**Tom Harris:** We can do them together.

**Roy Buskirk:** Okay. Consideration of a salary ordinance reclassifying the Principle Planner from PAT 5/5, \$53,924 non-exempt to Senior Planner, PAT 6/5, \$61,199, exempt.

**Larry Brown:** Second.

**Tom Harris:** **We have a motion and a second.** Are there other questions?

**Bill Brown:** I would be curious that with the money coming in, are these additional dollars budgeted in the 2016 budget?

**Dan Avery:** They are not, at this time. I had a discussion with the Auditor's Office and pending this, we would make that adjustment for the salaries. As far as the 2015, I will find those in my budget.

**Bill Brown:** Thank you.

**Tom Harris:** So you are covering this year.

**Dan Avery:** Yes.

**Tom Harris:** Councilman Buskirk.

**Roy Buskirk:** Why is the first one non-exempt and the second one exempt?

**Dawn Kennedy:** That is because the Senior Planner is exempt because of the level of work that they do and the discretion that they have. When I was reviewing them and reviewing the FSLA statuses as I go along and I thought that the Senior Planner should be exempt. The Principle Planner does not have that level of discretion.

**Roy Buskirk:** So the way that I understand that is they would be on a salary and the other one is hourly?

**Dawn Kennedy:** Correct.

**Tom Harris:** Council, are there other questions? **All in favor say aye, all opposed same. The motion passes 7-0.** The next department is ACJC.

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**Dave Korus:** Good morning, Council and Auditors. I am Dave Korus, Budget Analyst with ACJC. This is a matter that we discussed verbally last month. We had just learned of a grant opportunity and we wanted to inform this body before we actually applied for it. A motion was approved allowing us to apply but I was asked to return with more details. Just to confirm, we did apply and regarding those details, if awarded this would allow us to convert our part-time Check and Connect Truancy Mentors to full-time employment. That would approximately double the number of at-risk students that they would be able to serve.

**Tom Harris:** This amount is sizable, \$149,000?

**Dave Korus:** That is correct and would include approximately \$15,000 in match on our part. That would allow us to employ four full-time Mentors for the school year beginning in October.

**Tom Harris:** Just clarifying that last point, you are requesting a grant for \$149,000 but you have to come up with your own funds of \$15,000.

**Dave Korus:** A ten percent match is required.

**Tom Harris:** Is that pretty standard for the grants that you apply for?

**Dave Korus:** Yes it is.

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

**Roy Buskirk:** Do you have funding for the matching funds?

**Dave Korus:** We would use the existing funds appropriated for the part-time Mentors to cover that match.

**Bill Brown:** I will make a motion to approve the permission for Department 55, ACJC to apply for the juvenile Accountability Block Grant for Check and Connect Mentor salaries.

**Bob Armstrong:** Second.

**Tom Harris:** **We have a motion and a second.** Are there any further questions?

**Bill Brown:** I would like to commend the ACJC and the frequency that they are here keeping us informed because these areas in juvenile correction, the formative years and the more strides that can be made to get to these young people to performing lives, is essential. I like the information and you are keeping us posted. Thank you.

**Tom Harris:** **All in favor say aye, all opposed same. The motion passes 7-0.** Next up is Superior Court.

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**John McGauley:** Good morning, Council, I am John McGauley, Court Executive for Superior Court.

**Craig Bobay:** Good morning, Craig Bobay, Allen Superior Court Judge in the Civil Division.

**John McGauley:** The good news is we are here to ask for your approval of three items and none of which we are asking for money for.

**Dawn Kennedy:** Do you want me to introduce them separately or together?

**Tom Harris:** Together is fine.

**Dawn Kennedy:** Okay. The first position that we will be talking about is the Financial Coordinator. Currently it is at a PAT 3/6 to become a Financial Coordinator at PAT 4/6. This is HR's recommendation as well. Next is a new position for a Court Reporter at PAT 3/2 and that one will be non-exempt. The department is here to speak about it.

**John McGauley:** I will start with the reclassification that we are asking for. This is for our Financial Coordinator least importantly at the PAT 3 is that it is out of balance with most of the other Financial Coordinator positions in the County. More importantly, the job has grown tremendously in recent years. The number of budgets that she oversees, the number of grants that she oversees, the explosion in State reporting that is required; it has just become a much larger position.

**Tom Harris:** How much does the Financial Coordinator oversee? What is the size of the budget?

**John McGauley:** The entirety of the Superior Court budget is around \$5.6 or \$5.7 million.

**Tom Harris:** Okay, so the Financial Coordinator for \$5.6 million. Are there any other comments? Council, are there any questions?

**Roy Buskirk:** On just the first one?

**Tom Harris:** Yes. Let's talk about the second one now.

**John McGauley:** This position is a new position, Court Reporter in Small Claims Court. We are looking to restore a capability that we have had in the past but we lost during budget cutting maybe a decade ago. Small Claims is the highest volume Court and one of the higher volume Courts in Indiana. We would love to have this back because it will help us cut down turnaround time for orders and a lot of the work that they do over there. You all have been very generous to us in the 2016 budget and we decided a long time ago that we didn't think this was an amount up and above what we currently receive that we

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would be able to ask for and so we made a choice back in June we started a process with the Allen County Bar Association and the Library Board. We wanted them to take over funding for the Law Library position. We eliminated a position from our budget in order to be able to afford this.

**Tom Harris:** John and Judge, one of the things that we talked about in Personnel Committee is the thought that this would provide a Court Reporter for this area but will there be more requests? Will we see requests coming for more Court Reporters? Is this a trend that we need more Court Reporters?

**Craig Bobay:** My view is that we are fully staffed once this position gets funded.

**Tom Harris:** I think you mentioned in Personnel Committee that you are sharing. Is that correct?

**John McGauley:** Correct.

**Craig Bobay:** Yes. I took over supervisory responsibility for Small Claims Court about two years ago. It was brought to my attention at that time that there was a very physical demonstration and I went into one of the back rooms of Small Claims and there was a table about this size with files stacked this high representing cases that they had not yet gotten the orders out. There was a six to nine months backlog. I made a promise to the Magistrates over there that I would work with Jerry Noble and then John to see what we could do to address that backlog. Hopefully this would do that and we are doing in a way that would not significantly impact the County budget.

**John McGauley:** If it gives you any perspective, between protective orders and straight case filings, is about 30,000 cases a year.

**Tom Harris:** Councilman Buskirk.

**Roy Buskirk:** How long has it been since any of the fees in Small Claims Court has been increased? Do you see a possibility of that?

**Craig Bobay:** I think, overall, the filing fees are too low across the State except in the areas where they need to be waived because of issues concerning safety of the people. Nearly every session, there is the talk of raising a fee for one purpose or another. The Small Claims fees are a part of those considered when the Legislature does those as well. Exactly when the last fee increase was, I am not sure but I think there was in the last session of the Legislature but not specifically for the purposes of Small Claims.

**Roy Buskirk:** That is a service that you are providing to specific individuals and I am of the opinion that they need to pay for that service. If the fees are not coming at least close to covering the cost, I think they need to be looked at. We all know, sitting around the table here, it is the State Legislation that has to do it. We can't do it here locally. Is that something that we need to look at and start talking to the State Legislators about?

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**Craig Bobay:** I think we need to do some analysis of that but it is certainly something that we ought to constantly be aware of. In civil litigation, like Small Claims, it is most oftentimes where the loser ends up paying the court costs. The problem is that it presents a barrier to filing your claim if you can't come up with the \$80, \$90, \$100, \$120 or \$200 or whatever that cost is initially. We do have processes for the initial waiver for fees for those folks that can't afford it.

**Tom Harris:** What is the range of those fees? Maybe you just gave that to us but the range of fees, approximately?

**Craig Bobay:** I just got that at the conference that we attended in Indianapolis last week and it is in my office. I will make sure that we get it to you.

**Tom Harris:** Councilman Brown.

**Bill Brown:** I did get a constituent complaint saying that the fees were raised recently. They weren't raised a lot. You are right that it does create a barrier to due process. Many times the folks that are finding the fees are the folks that are obviously trying to recover their costs. We do need to be cognizant of who is being penalized to get their due process. Having said that we also know that the pipeline issue, while these are civil matters, it would also transgress to the criminal side to where we are going to see some fiscal impact coming at us because of pipeline issues. By that I mean folks getting through the due process whether they are the defendant or the other side of it. We need to keep an eye on making sure that pipeline is getting people into the system as soon as possible. I want to also commend you for the collaboration with these other two to take that position and free up one for you. I wondered how you were going to come up with that and no cost but kudos on that.

**Tom Harris:** Councilman Benz.

**Joel Benz:** I would like to add onto that. I meet regularly with John and I think that the group of Judges that you have in place have kind of enhanced your decision making process of keeping funds flowing and being very conservative in your spending. I appreciate that and think we should go ahead and approve this.

**Tom Harris:** Is that in the form of a motion?

**Joel Benz:** Yes, that would be a motion. I move that we approve...

**Tera Klutz:** If I may, the third one is in correlation with number two. It is just a temporary ordinance for training the second one. Number three is in correlation with number two.

**John McGauley:** Tera is close but number three is Judge Davis' Court Reporter is retiring and that is obviously an essential position. It has a lot to do with the functionality

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of a very high volume Court. We are promoting from within to replace her but we would like to have a brief overlap between Marsha Ternet and Anne Webster. That is what that line item is and we will get that out of excess payroll.

**Tom Harris:** Council, we have done that in a number of different times prior. Councilman Brown.

**Larry Brown:** I was just suggesting that we do all three together.

**Tom Harris:** Okay and with that Councilman Benz.

**Joel Benz:** I move that we consider a salary ordinance reclassifying a Financial Coordinator from PAT 3/6 \$45,342 to Financial Coordinator, PAT 4/6, \$51,026 and non-exempt. Second, consideration of a salary ordinance for a new position, Court Reporter, PAT 3/2, \$37,662 and non-exempt and thirdly consideration of a temporary salary ordinance for training purposes. This is a Court Reporter, PAT 3/3 at \$39,545. This is effective September 21, 2015 to October 2, 2015 and non-exempt.

**Sharon Tucker:** Second.

**Tom Harris:** **We have a motion and a second for all three.** Are there any other comments or questions?

**Sharon Tucker:** I would like to make a comment. I appreciate how you guys explain and make everything clear. It is very helpful.

**Tom Harris:** **All in favor say aye, all opposed same. The motion passes 7-0.**

**John McGauley:** Thank you very much.

**Craig Bobay:** It has come to my attention that the filing fee is \$96 for a Small Claims case.

**Nick Jordan:** Roy, on the Clerk of the Courts website, which I will send you the link, she has a list of all of the different fees.

**Tom Harris:** There are quite a few different amounts.

**Roy Buskirk:** That is the fee that it would cost a landlord to come in and file something against the tenant while trying to collect back rent?

**Craig Bobay:** Yes. If the landlord prevails, the tenant is usually assigned to pay those costs back to the landlord.

**Roy Buskirk:** And that is State-wide?

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**Craig Bobay:** Yes.

**Roy Buskirk:** Thank you.

**Tom Harris:** Next up is Community Corrections.

**Kim Churchward:** Good morning, Council, I am Kim Churchward, Executive Director of Allen County Community Corrections.

**Jeff Stevens:** Jeff Stevens, Senior Finance Manager for Allen County Community Corrections.

**Kim Churchward:** We have three items of business for your review and consideration. I think all are fairly simple items and out of respect for your weighty schedule and the fact that at any moment I could lose my voice, I will try to be brief. The first item we have for your consideration is an appropriation of grant funds. For the fourth year we have received grant funds from the Indiana Supreme Court to sustain and continue our incentive programs in the three Problem Solving Courts that operate through Allen County Community Corrections and also to provide staff training. This year we received \$10,000 for our Re-entry Program, \$9,000 for our Restoration Court, our Mental Health Court for this purpose and \$5,000 for our new Veterans Court Program. We are here today asking that you graciously appropriate that \$24,000 for those purposes.

**Tom Harris:** With that maybe the second item as well. Let's go ahead and talk about that one.

**Kim Churchward:** Okay. We again find ourselves in a position where it is necessary to remodel, reconfigure our current space at 201 W Superior. We have worked very closely with the Allen County Maintenance Department to come up with a pretty low cost solution with their help to reconfigure or reclaim a classroom to support our Treatment Marketplace. Candidly we are turning the copy room into an office. We are here today asking for \$6,362 from Fund 236 User Fee Fund. That has been approved by the Department of Corrections.

**Bill Brown:** Again, that is some great work being done there. That internal remodel, turning a copier room to this need, you are basically out of space.

**Kim Churchward:** Yes, sir, we are. We could use double the number of classrooms that we currently have. As you know, we were here last year and we talked about our new Treatment Marketplace that we deployed in conjunction with local Courts and we are running a risked informed treatment model meaning that we are physically separating low, moderate and high risk offenders in the treatment setting. That is quite a challenge from a space perspective as you can imagine, particularly when we are trying to be receptive and offering daytime and evening and weekend services for the population.

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**Bill Brown:** There are some preliminary conversations amongst various folks in local government about addressing that need for space.

**Kim Churchward:** I understand that those conversations are beginning.

**Tom Harris:** And those kinds of discussions are probably long-term if you do anything different. The only caution that I would throw out is that \$6,000 is pretty minuscule and are short-term fixes. Long-term fixes would have to take into consideration bigger plans and bigger thoughts.

**Kim Churchward:** You are absolutely correct.

**Tom Harris:** Councilman Buskirk.

**Roy Buskirk:** I think what Bill was referring to, I have no problem with it, and the City is looking at possibly buying the Community Corrections' building for the river project.

**Kim Churchward:** No one has spoken to me directly about that. I understand that some inquiries have gone to the Commissioners.

**Tom Harris:** At this point, from the Commissioners' standpoint as of a couple of weeks ago, they had not been approached. While it is showing up in the papers and some of the discussions are happening, they have not approached the County in an official way.

**Bill Brown:** I think in the preliminary conversations it boils down to who is going to pay and what is going to happen. There is still a question mark there. We all know that there is a big initiative with the Riverfront Team right in that area and that is the focal point. We know we have a need and are just maxed out.

**Kim Churchward:** We are indeed and I would add that it would be challenging to us to run a 24/7 criminal justice operation. Supervising violent and high risk and some sex offenders in that type of atmosphere.

**Tom Harris:** Along with that and changes to the State in your world, you may have more people coming your way. A lot of thoughts and planning and strategy really need to take place in terms of another facility. Councilman Buskirk.

**Roy Buskirk:** I think most of the Council members are aware but I wanted to make sure that it is not a building that we can look at for possible expansion or something of that type because of the proximity of the river project.

**Kim Churchward:** Thank you for the clarification.

**Tom Harris:** Council, are there other questions or comments? Councilman Brown.

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**Bill Brown:** I will make a motion for Department 90, Community Corrections to appropriate in Problem Solving Court Fund 852, \$24,000 for Other Services. Appropriate in Home Detention Fund 236 under Contractual for \$6,362. Permission to apply for the grant...

**Tom Harris:** She hasn't talked about that one yet and so we will give her a chance to talk about that.

**Bill Brown:** Maybe I am premature. You just want to do the first two?

**Tom Harris:** Yes.

**Roy Buskirk:** I'll second the first two.

**Tom Harris:** **We have a motion and a second.** Is there any other discussion?

**Bill Brown:** The only point I want to make is this \$6,362 is just an example if you have to take care of business while these other plans are discussed. I think it is totally appropriate.

**Tom Harris:** **All in favor say aye, all opposed same. The motion passes 7-0.**

**Kim Churchward:** Thank you. We became aware in late August, after the cutoff to speak with you, of another grant opportunity. As you all know, like our other criminal justice partners in Allen County, we rabidly pursue grant opportunities. The Indiana Criminal Justice Institute, the application is due tomorrow, and we will be pursuing with your permission. This is to purchase GPS equipment to update, modernize and increase our ability and our supervision efforts at Community Corrections. We are seeking \$475,500 to purchase up to 250 GPS units. I don't have a sense if we will be granted that full amount but certainly we can articulate the need and will be happy with any funds that we get for that purpose. There are no matching funds. The only cost would be the maintenance, should there be any and we would certainly incorporate that.

**Tom Harris:** Council, with the passage of 1006, we can anticipate a continued flurry of activity and different things coming from Community Corrections.

**Kim Churchward:** That is absolutely correct. We are trying to be responsive to what might be coming so that we can efficiently as possible supervise. We have outdated equipment, much of it relying on landlines. We denied close to 100 or 150 individuals from services because they didn't have a landline. So certainly we need to be responsive to that in the most modern and appropriate way that we can be.

**Roy Buskirk:** So this is primarily ankle bracelets?

**Kim Churchward:** Yes, sir. They are GPS ankle bracelets. They are being tracked via GPS and radio frequency.

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**Roy Buskirk:** Are these ones that you can tell if the person has been drinking or not?

**Kim Churchward:** These are not. We have a lot of other ways to do that.

**Roy Buskirk:** In a meeting a month or so ago you said that they have GPS that can tell if the individual has been drinking or not and I was like WOW. If you stop and think, it is through the sweat of the individual.

**Kim Churchward:** Those are very expensive devices.

**Tom Harris:** We will watch for that price to drop. Councilman Brown.

**Bill Brown:** This is another extraordinary example of new emerging technology. I think throughout the criminal justice system there are opportunities here as we antenna up, to embrace and understand these new ideas and see what is out there and implement them and continue to take this leadership role throughout the State. It is really fascinating and will be interesting to see as things emerge that maybe the facility will not have to contain and deal with as large a group. I know these folks come and go but it also allows people to maintain a level of freedom in their lives even though they have made mistakes and helps them get their lives in order without sitting in a concrete cell.

**Kim Churchward:** Right.

**Bill Brown:** To your point about the landline, in this day and age it is biting us on one end because we can't get our 911 fees because so few people have landlines and we are stuck in a situation where we are trying to be problem solving. I will make a motion to grant permission to apply for the Edward Byrne Memorial Justice Assistant Grant to purchase GPS monitoring equipment with the understanding that maintenance will be plugged into that.

**Kim Churchward:** Yes, we will take care of that.

**Roy Buskirk:** Second.

**Tom Harris:** We have a motion and a second. All in favor say aye, all opposed same. The motion passes 7-0.

**Kim Churchward:** Thank you all for your time.

**Tom Harris:** Next up is the Board of Health.

**Joel Benz:** Mindy is not here this morning and she asked if I would carry this for her. She had the opportunity to speak to the Leadership Symposium in Indianapolis and so I told her I would be willing to carry this. At the beginning of the year, Nick might be able to help me out with this, they forecast based on previous years, the amount of vaccines and

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medicines that they will need throughout the year. As the year progresses and they dispense those, they are reimbursed by users. They have gotten to this point and have used up all of that medication and have collected that money and would like to appropriate it back in so they can buy more and continue the process. She said this is kind of an annual thing that they come here for.

**Nick Jordan:** Joel explained it well and he is correct it might happen a couple of times a year.

**Tom Harris:** Does anyone have any questions for Councilman Benz?

**Roy Buskirk:** I will make a motion to approve the appropriation in County Health Fund 285 \$30,000 for Meds/Vaccines.

**Sharon Tucker:** Second.

**Tom Harris:** We have a motion and a second. All in favor say aye, all opposed same. The motion passes 7-0. Next up is the Auditor's Office.

**Tracy Mitchener:** Tracy Mitchener, Assistant Human Resources Director.

**Dawn Kennedy:** Dawn Kennedy, Compensation Specialist.

**Tera Klutz:** Tera Klutz, Allen County Auditor.

**Dawn Kennedy:** Would you like me to introduce these together or separately?

**Tom Harris:** Together.

**Dawn Kennedy:** Okay. Item number one is nine positions. It is HR's recommendation that the Property Tax Deputies be moved from OSS 4 to OSS 5. The salaries vary because they are at different steps and these positions are all non-exempt.

**Tom Harris:** We have a question here.

**Larry Brown:** Not to interrupt but if you would preface this with the fact that Tera had her entire office looked at.

**Tera Klutz:** If you want, I can make the introduction.

**Tom Harris:** Let's go ahead and then we will back up and Tera tell us a little bit about what is in front of us and why this came about. We will then continue on with the explanation.

**Dawn Kennedy:** Okay.

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**Tera Klutz:** Over the course of the last three years or so, HR has reached out to different departments to have the full department evaluated based upon where the job market was internally. We want to make sure that the County is paying competitive wages within because that could open us up for liability if not. As a result, I brought my department to HR and they reviewed all of the positions. I had my expectations and three of the positions that I thought would go up did not and some of the positions that I thought would stay the same, one of them went up. It was a learning process because I don't get to see what everybody else does in the County but I can see the departments that are close to us and it was an eye-opening experience. It gave me some appreciation for some of the other offices. I have an appreciation for my own employees because I see what they do every day. It had been eight years since our office had been looked at and during the course of those eight years there have been no less than ten major changes duty-wise to the Property Tax Department and at least one or two to the Finance Department. The Finance Department doesn't change as much. Finance has financial reporting but that is usually national standards that guide that and not State Legislature that guides Property Tax. It was no surprise that some of my positions went up because of Circuit Breaker and LOIT that can be used as Property Tax Replacement Credits which need to be calculated by our staff. We have referendums that are outside of the Circuit Breaker. We have restricted addresses that are something new that we can't put on a public database. We have to have our staff trained to know exactly how to do that and who to do that for. We have several new Tax Sale statutes within the last five years including a separate sale, being able to identify vacant and abandon properties and pulling those out of the sale. We also have to identify serial Tax Sale buyers because they are not eligible to participate in a Tax Sale. The Tax Sale function has increased in complexity and as many times as you have to appear in court now, it didn't surprise me that the position went up. The homestead audit is a new task that my office has taken over in the past three years and the complexity of making a determination if a primary residence, which is defined as the residence where someone will return to or go back to is not black and white and the cost of losing a homestead could mean thousands of dollars. Making those decisions and putting the right things in place, I have a Manager in charge of that. It also didn't surprise me that her job went up. Last but not least, our Finance Manager who is in charge of all of the Financial Coordinators in the County, she helps them through their budgets and making sure that they don't overspend on their line items. She is the only one in the Finance Department that got recommended. There were no recommended increases for upper management, Elected Official or Chief Deputy or top management. We all stayed flat.

**Tom Harris:** On that last point, they were evaluated or not evaluated?

**Dawn Kennedy:** They were evaluated.

**Tom Harris:** So the evaluation was that those remain the same.

**Tera Klutz:** I was going to ask HR the same thing.

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**Dawn Kennedy:** We didn't give a salary recommendation for the Elected Official and the Chief Deputy but we did evaluate the other top positions.

**Tom Harris:** And those remained the same.

**Dawn Kennedy:** Correct.

**Tera Klutz:** Everybody in the office including Nick and me filled out a JAQ and didn't know if we would get a recommendation or not. I just wanted the whole office to be open to HR.

**Tracy Mitchener:** Usually we allow the Elected Official to decide if you want to go higher because they are unique. There are no qualifications for those positions.

**Tera Klutz:** I respect that decision and we are not seeking raises.

**Tracy Mitchener:** Compared to the City positions, I could see how they could go up in pay.

**Tom Harris:** Thank you, Tera, let's continue on. Dawn, where were you in terms of the positions?

**Dawn Kennedy:** I spoke about item number one and I will now introduce item number two. It is reclassifying the Tax Sale Manager from PAT 3/6 to PAT 4/6 and that is HR's recommendation as well. We are also recommending that the Property Tax Manager be reclassified from a PAT 4/6 to PAT 5/6. Item number four, HR is recommending that the Finance Manager be reclassified from PAT 4/6 to PAT 5/6.

**Tom Harris:** With that I will open it to questions. Councilman Buskirk.

**Roy Buskirk:** Dawn, I have a question that I should have brought up at the Personnel Committee meeting. Item two is a Tax Sale Manager and item three is a Property Tax Manager. Okay, I answered my own question. Thank you.

**Tom Harris:** Great. One of the questions that I had, we were in a public meeting a couple of days ago and one of the questions that came to us is do we look at these positions in comparison to the Counties around us? Do you also look at salary ranges and salaries in comparison to other Counties either geographically or State-wide?

**Dawn Kennedy:** I haven't pulled numbers for all of the Counties around us. Sometimes, if I think we have a very special position, I will call around to different Counties and request the salaries from them and I have a couple of other databases that I can pull from. By and large, we do not compare because we are more focused on internal equity.

**Tom Harris:** How jobs are comparing to each other internally within the County structure.

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**Dawn Kennedy:** Correct.

**Tera Klutz:** And I am going to follow up just to say that I am not only concerned about the internal but also in the external market where we live because if and when I lose employees, it is because they have been hired somewhere else in Fort Wayne or Allen County and not Dekalb or Noble. I know, for a fact, that some of those surrounding Counties pay less than our County. I am not surprised because they are in a more rural area. I don't find that is where my turnover comes from. It comes from either the City of Fort Wayne or other County departments or private sector.

**Tom Harris:** I wasn't necessarily implying that we should look to those numbers to correlate where we are but just wanted to know if you looked to other Counties in comparison. When we look externally, it might be good to do and not necessarily to say that we are overpaid but just to understand some of those positions. Not to say that we are going to lose employees to other Counties but understanding where we are at. Looking externally is something that we talked about in the Personnel Committee as something that needs to be done at a bigger level anyway. We will get to that in a further discussion. Councilman Buskirk.

**Roy Buskirk:** Many of the surrounding Counties, I am not being critical of them, don't have the nearly the volume that we have nor the multiple complexities that we have here in Allen County. As we have mentioned before, we get recognized by the State as being a leading County in many of the different departments. We are looked at to be a leader a lot of this. I don't know that it is using the time wisely to look at the surrounding Counties. I agree with Tera that it's more our competition is right here in this County of other outside employees that want good employees and they are the competition as far as hiring away.

**Tera Klutz:** I have looked at those Counties and to Roy's point it's hard because sometimes they pay all of the Elected Officials the same dollar amount. We can sit and discuss the merit of doing that or disagree on the merit of doing that depending on what the job says. Then you have to determine who is making those decisions and it is the Elected Officials. You can get caught up in a lot of time about checking that.

**Tom Harris:** Yep. Thank you.

**Bill Brown:** I would agree.

**Tom Harris:** With that we have had four different positions talked about. Council, are there any other questions?

**Bill Brown:** I will make a motion for Department 2, Auditor, consideration of a salary ordinance reclassifying the Property Tax Deputy, nine positions, OSS 4 to OSS 5 with the salaries varying from \$35,132 to \$42,497 based on longevity step and non-exempt. A second item is consideration of a salary ordinance reclassifying the Tax Sale Manager from PAT 3/6, \$45,342 to PAT 4/6, \$51,026 non-exempt. Third one is consideration of a

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salary ordinance reclassifying the Property Tax Manager from PAT 4/6, \$51,026 to PAT 5/6, \$56,081 non-exempt. Last one is consideration of a salary ordinance reclassifying the Finance Manager from PAT 4/6, \$51,026 to PAT 5/6, \$56,081 non-exempt.

**Bob Armstrong:** Second.

**Tom Harris:** We have a motion and a second. Are there any questions? Councilman Tucker.

**Sharon Tucker:** Tera, I calculate roughly \$80,000 that this affects. Is this included in your 2016 budget?

**Tera Klutz:** The full cost of the reclassification for next year is around \$55,000 and is not included in my 2016 budget. I did not anticipate the dollar amount of change nor did I have the recommendations back at the time the forms were submitted. If you would pass these salary ordinances, I would also request that you appropriate \$13,211 to pay the salaries for the remainder of this year and then the additional amount also in the 2016 budget.

**Sharon Tucker:** Okay.

**Tom Harris:** Are there other comments or questions?

**Bob Armstrong:** What happens if it is not there?

**Tom Harris:** Then there are no funds to cover the cost.

**Tera Klutz:** During the budget hearings later, I would be requesting it.

**Tom Harris:** Not only your positions but probably also the other ones that we have spoken of previously.

**Tera Klutz:** Correct.

**Bill Brown:** There is money available there, we know that and it just depends on if we want to appropriate it.

**Tom Harris:** We will be able to have that discussion in a few minutes.

**Tera Klutz:** It is good to know that the answer is yes.

**Sharon Tucker:** I am not sure if this is the appropriate place to ask this question, more so of HR than the Auditor, since the Auditor has evaluated her department, are we to expect other departments to come before us with re-evaluations? Will this open the flood gates?

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**Dawn Kennedy:** I don't know that it would open the flood gates so much as we do approach departments when we see it's necessary. We ask them to participate because right now it is not a mandatory process. If they approach us, we will work with them.

**Tracy Mitchener:** It is important because we don't have up-to-date job descriptions and we run the risk of internal equity issues. It is very important that we try to get on a schedule and re-evaluate all positions. Just so you are aware, we can look at fifty positions and you might only see two. I don't want you to think that just because we re-evaluate it is increasing everyone's pay. It is very important to make sure that we are up-to-date on everything.

**Tom Harris:** Councilman Buskirk.

**Roy Buskirk:** This is not the first department that they have gone through. They continually, I don't know what the number is, gone through a lot of the County's departments already. The one question that I get totally confused on is this a 37.5 hours department?

**Tera Klutz:** Yes, sir. We are open 40 hours but we stagger so that everyone works 37.5.

**Tom Harris:** Councilman Brown.

**Bill Brown:** I think it is commendable that this action was taken. County Council did an internal and external audit, I believe, in 2007. I think it would be good for next year to start looking at this and get ahead a little more. That is kind of my issue with the Sheriff's Department. They were funding a new position this year and deciding what that position was going to be next year and so that leaves us in the scenario of a question mark as to whether it is going to need an appropriation or not. I think this is very appropriate and I am glad it took place.

**Tom Harris:** Councilman Armstrong.

**Bob Armstrong:** Is there a schedule for looking at departments or do we just pull out of a hat that we are going to do this?

**Dawn Kennedy:** We have a system in place. Since it is not a mandatory process, we can only suggest to departments that they participate. It is up to their discretion if they decide to go through with it.

**Tracy Mitchener:** We have kind of gone through all of our voluntary departments and now we are seeing if this is something that we need Council's assistance on or the Commissioners' assistance with.

**Tom Harris:** Council, are there any other questions or comments? **We have a motion and a second. All in favor say aye, all opposed same. The motion passes 7-0.** Next up is number five for the Auditor's Office.

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**Bill Brown:** I will make a motion for the appropriation in the County General Fund, Salary Reclassification for the amount of \$13,211.

**Larry Brown:** Second.

**Tom Harris:** We have a motion and a second. All in favor say aye, all opposed same. The motion passes 7-0. Now we will move to the PERF item.

**Tera Klutz:** As you might recall from the last meeting, I was able to give you a brief overview of the unfunded liability that PERF had calculated at \$5.7 million. Through negotiations, we were able to get it down to \$3,889,979. We can make payments up to 30 years at a rate of six percent or we can pay it all by the end of the year. What that does is pay off our current unfunded liability and so therefore, in the future, all we would be is the current contribution rate on our existing PERF employees. It will set the County up to, over time, save a lot of money. I have created this analysis for your record to show that the ten-year estimated fiscal impact of switching new employees to the 401 Plan instead of PERF is approximately \$4.2 million. Each year would show more savings. This unfunded liability of \$3.9 million is for everyone who is in PERF and when they retire will get PERF as long as they live and that is only \$3.9 million. I still feel very confident that this was the right decision not only today to offer new employees up to a five percent match but also for the future in making sure that we have financial stability to still give the services to the citizens that they want and the revenue that we receive.

**Tom Harris:** So, in essence Tera if we were not to pass this today, the plan would be to pay this over a period of time which we would end up paying additional interest to this amount.

**Tera Klutz:** Right. The current interest rate that has to be charged has to be the current rate we are receiving, what the actuary is assuming our investments are receiving and is currently six percent. I can tell you that we are not receiving six percent in our savings account right now.

**Tom Harris:** Further, it also signal and be an example that the County's foundation for funding is strong and that we are able to pay for this as well as send a signal to those employees that are effected that their future funds are sound as well. Is that fair?

**Tera Klutz:** It is a very fair statement.

**Tom Harris:** Councilman Brown.

**Bill Brown:** This unfunded situation is something that I would like to discuss. I think it is great that it has been discovered and we are taking care of it in essence by paying it now. To your point, we are saving almost six percent on the money. It is kind of a reverse investment, if you will, in taking care of it sooner rather than later. I will make a motion to approve the appropriation in County General for PERF in the amount of \$3,889,979.

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**Sharon Tucker:** Second.

**Tom Harris:** We have a motion and a second. Is there any further discussion?  
Councilman Buskirk.

**Roy Buskirk:** On the PERF Plan, if someone is currently working for the County and under PERF and then they leave the County employment for like six months or so and then they come back, can they still go under the PERF program? Even if they started drawing PERF and came back, would they go under the 401?

**Tera Klutz:** If they have retired, that question is going to be an individual decision that the Commissioners are going to make because our current plan is if you have ever been enrolled in PERF, you have to be back in PERF. But a question did arise and you are retired and receiving benefits, are you still enrolled. The questions were given to the County Attorney and the Commissioners are taking those on in a case-by-case basis. If you haven't retired, let's say you are thirty and you worked here ten years and vested and then you went away for five years and came back, you would be reenrolled in PERF.

**Roy Buskirk:** And retired is obviously receiving payment from PERF. My other question is on the 401. I have heard some discussion and comments that the 401 Plan is not as good in retirement as what the PERF Plan is.

**Tera Klutz:** The PERF Plan is a defined benefit plan. If you work a certain amount of years times the salary, they will plug that into a formula and they will determine a calculated benefit that you will receive every month. A defined contribution plan, which is the 401A Plan will take the five percent that the employee puts in, and they can put in more, and the employer matches the five percent that will be invested. Whatever that money yields will be...

**Roy Buskirk:** The calculation for your retirement.

**Tera Klutz:** Right but there is lots of mixed feelings. When we say that we are 80% funded in PERF that is excellent because there are some pension plans that are upside down. To say fifty years from now those benefits will be better is really not accurate in every place of the nation because sometimes those pensions aren't getting paid at all. That is because they weren't funded properly. I feel that PERF will be around because they have responsible people down there. We have responsible bodies like this one. We fund PERF and the Sheriff's Pension Plan so that when they retire, there will be funds. The 401A, the money is there and it is their money. It doesn't rely on another body to put funding in there.

**Roy Buskirk:** So in essence that has been part of the problem with PERF is that they have set out here twenty years in the future on how much you are going to receive in retirement and because of their investments there has been a need over the years to put

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more in because the return on investments have not been good enough to hit the goal out here in the future.

**Tera Klutz:** Correct. Our current contribution rate is 11.2%. The employees contribute three percent as well.

**Roy Buskirk:** Okay, thank you.

**Larry Brown:** Tera, would you know if all 92 Counties are in the same situation?

**Tera Klutz:** There are a couple of Counties that are not in PERF at all. We are one of the few Counties that have frozen participation. There was a new State law passed that nobody can do what we did anymore. If you want to freeze participation, you have to go with the State Defined Contribution Plan.

**Larry Brown:** Then what is the chance or perhaps liability since most current employees are a part of PERF, Public Employees Retirement Fund, and includes a huge amount of public employees. We are trying to be responsible and do responsible things and others may not. What is the chance that PERF could end up in jeopardy and harmful, if you will, to County employees? Does that make sense?

**Tera Klutz:** It does make sense. I can't see into the future and I don't have a crystal ball but there are penalties in place for an employer who doesn't make the payroll contributions. They start tacking on the penalties. Ten years ago, PERF wasn't charging those penalties. Five years ago, they started and they have gotten almost 100% participation. I would say that the management is strong and have basically solidified their self-preservation by making sure that no County can get away from them because they are either going to run their 401 plan or their defined pension plan for them.

**Tom Harris:** Another point with that is that as the State has moved with these changes in PERF, they are trying to outsource the management of PERF and that the PERF amounts are actually going to follow the market whereas they haven't done that in the past. While some might say they were better off in PERF, their numbers would have changed in the future if we had maintained the PERF relationship because they wouldn't have been at a higher level and would have gone with market. At this point, as we have allowed the opportunity for new employees to move to a 401A, they can invest as they choose and as the economy and their investments take off, they can do better than what a PERF might have been able to do. There are a lot of benefits, from my point of view. I have done this with other companies and we have moved out of PERF and defined contributions. It is a change and a trend that is going on nationwide and parts of California are trying to figure out how they are going to fund retirement plans because they don't have the funds to be able to pay for them. We are not only setting the County up for a safer approach to the future but also helping those employees so that they have more sound benefits for retirement plans in the future. Council, are there any other questions or comments? **We have a motion and a second. All in favor say aye, all opposed same. The motion passes 7-0.** Tera, thank you very much.

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**Roy Buskirk:** Where is the \$3.8 million coming from?

**Tera Klutz:** It is coming from the General Fund available to appropriate.

**Roy Buskirk:** We've got that much in there?

**Tom Harris:** Council, Discussion and Other Items to Come Before Council.

**Nick Jordan:** There is one addendum. The Coliseum has a position to talk about. It is no fault of theirs that it is an addendum.

**Tom Harris:** Yes, that is great. Please introduce yourself for the record. And we have one more time for HR to be here.

**CJ Steigmeyer:** Good morning, CJ Steigmeyer with the Allen County War Memorial Coliseum.

**Dawn Kennedy:** Dawn Kennedy, Compensation Specialist.

**Tracy Mitchener:** Tracy Mitchener, Assistant HR Director.

**Dawn Kennedy:** The position that the Coliseum is bringing up today is a new position, Technical Manager of Audio/Visual Services. It is a Special Occupation with a range of \$45,000 to \$55,000. This would be a 40 hours a week exempt position. CJ is here to speak about it today.

**CJ Steigmeyer:** Over the last several years with the number of events that we have had as well as the technology changes in producing different events, we have had a strong need for an individual to run all of our technological systems. This Technical Manager will be in charge of running audio visual productions for events. For a Komet hockey game, for example, or a Mad Ants basketball game, all of the video production on the top of the screen, the video board in the arena and all of that is one of things that this individual would run. Also, we have individual meetings, smaller functions and commencements where we run video. The Derby Girls, we run video. There is also the sound side of things where it just may be a speaker in a corporate function. We run the sound for that event and sometimes the lights for those events. In addition to all of that we have the Conference Center opening in January. The Conference Center will have projectors installed into the ceilings and screens that drop down so that they will be able to run video productions in all of those rooms as well. This individual will be overseeing at least one full-time individual and up to fifteen part-time individuals. They will meet with the clients to determine what their needs are and will make sure that all of the services, av cameras, speakers, soundboards and all of those things are distributed and are appropriately placed prior to the event.

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**Tom Harris:** All right and in essence this is far beyond the disco ball of days past. It is another result of high tech moving into the world of entertainment. You have had a part-time person doing this and we are now making it full-time.

**CJ Steigmeyer:** It will now be a full-time position. We currently have had a mix of a full-time person and a part-time individual handling this. The part-time person, over the last couple of years, has become more and more involved in that production.

**Tom Harris:** Council, any questions or comments?

**Bill Brown:** The Coliseum has made a real reputation of being an entertaining venue with all of the accolades that you have gained and secured over the years. More and more enhancements are so important. I would be curious, the liaison has already looked into this. I am kind of curious on your comment of this.

**Sharon Tucker:** I am one of them and we received the information about a month ago and I don't see an issue with it. I actually support it. When you think about all that the Coliseum is doing and the growth that they have, it only makes sense that this position be added so that we can continue to supply the needs of our community. I support it.

**Tom Harris:** One of the things that we talked about in Personnel Committee is the fact that they can actually raise the rate just a little bit to pay for this position, right? You are going to be offering more services and opportunities for high tech fancy lighting.

**CJ Steigmeyer:** It is a revenue generating position. We currently do charge our clients for video production that we perform and prepare and provide that service to. This will just be a continuation of that. Because of this individual, we will be able to offer more services.

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

**Bill Brown:** I will make a motion to approve consideration of a new position, Technical Manager of Audio/Visual Services, SPEC OCC, with a salary range of \$45,000 to \$55,000, at 40 hours and exempt. Position is for 2016 and the full 2016 salary ordinance will be approved at the 2016 Budget Adoption meeting on October 15<sup>th</sup>.

**Sharon Tucker:** Second.

**Tom Harris:** **We have a motion and a second. All in favor say aye, all opposed same. The motion passes 7-0.**

**Sharon Tucker:** CJ, isn't there an event tonight?

**CJ Steigmeyer:** There is an open house 6:00 to 8:00 and we will be showing off the new locker rooms that have been fully renovated for the Komets and Mad Ants and with IPFW having five basketball games, their locker room that they utilize.

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**Tom Harris:** Very good, thank you. Next is Discussion and Other Business to Come before Council.

**Bill Brown:** When Dan was up here with NIRCC, I didn't want to put him on the spot but I do think it is appropriate going into next year or sooner that we look into some of these unfunded liabilities. The County has a Cumulative Capital, CUM CAP, and various funds out there. We do a good job of looking into the future as to what issues might be out there. I think it is very commendable that we just took care of our pension scenario in Allen County. We know that the State has unfunded liabilities in their pension programs and the thing I would be interested in understanding is as we hear nationally and locally that we don't have enough money through gas tax, etc., to take care of some of these capital improvements. I think our community expects a standard. I know neighborhoods do. We have a 60/40 pay situation with subdivisions. I think it is important that we at least consider looking at some analysis so that we can understand that in fact our infrastructure will be in good shape. I know we have a plan.

**Tom Harris:** Expand on the infrastructure. Do you mean the infrastructure of our financing?

**Bill Brown:** Infrastructure specifically to NIRCC, transportation, trails and roads. Our responsibility is in unincorporated Allen County and Allen County has taken a leadership role over the years and in many areas. To fully understand how to fund that because when a public body comes together and says here is our balanced budget and the constituents are saying that they are not getting what they think they want whether it might be bad road etc. Granted, those numbers are going to be big numbers.

**Tom Harris:** Thank you and that might be something that we take a look at. I have asked the Highway Department to come before us this morning and give us an update in terms of some of the major projects and things they are going to be looking at for this next year. But you are looking at something even broader than that with NIRCC.

**Bill Brown:** Yeah and I want to make it clear this isn't something I want to approach someone off the cuff when they are here for a different item and put them on the spot. This takes a level of analysis and I don't even know that it needs to be extremely specific. I think just general ideas and general numbers on what projected is our unfunded liability. They are out there and I think by and large the public doesn't understand that.

**Tom Harris:** That said, we can have an extensive conversation about that and maybe set a time up for that.

**Bill Brown:** Not at this meeting. I am not talking about an ad hoc discussion in any meeting. This could be over a year and we could look at what those unfunded liabilities are.

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**Tom Harris:** We do keep an eye on things like CEDIT and some of the other funds and some of those are growing stronger. Councilman Buskirk.

**Roy Buskirk:** NIRCC's funding on projects is during the construction phase. After it is constructed, it is dependent upon what the project was but if it is in the unincorporated area or bridges if it is in the County and it becomes County responsibility and even with trails. NIRCC, as far as maintenance or anything, there is no funding stream from NIRCC for maintenance of projects. And the other thing as far as NIRCC being able and UTAB which is Urban Transportation, the Federal Highway funding runs out of money October 29<sup>th</sup> of this year unless the gentlemen and ladies in Washington, DC put their heads together and fund that. That is what has been going on for the last couple of years. Usually you have a three to five year funding transportation bill but for the last couple of years it has been as small as a three-month extension. Sometimes it is like do we move forward on this project, are we going to have Federal funding available and it makes it tough if you only have a crystal ball going out for three months.

**Bill Brown:** I just want to make it clear that I don't think this is NIRCC's responsibility but they are the regional transportation entity. So that I am really clear in what I am saying here, we have liabilities, to Roy's point, that are not funded. Now, those aren't our liabilities but when someone calls up and says we have a crumbling road here in unincorporated Allen County and they say call the State because that is their responsibility. We still have bad infrastructure in our County and so my point is that we get an understanding and bring together the folks and ask them to give us some sort of projection. Not to just to maintain at a level that we can afford but understand to move forward with a level that the citizens want. What is our community standard? Is a little bit of crumbling okay or not? It is a longer process and I would like to get consensus at the next two or three meetings and look at engaging them.

**Roy Buskirk:** Again, I would say that would be our Highway Department and not NIRCC.

**Bill Brown:** Right and I'm not saying it is NIRCC but NIRCC is the coordinating council and they work with all of the different entities. I think they could have a place at the table.

**Tom Harris:** Thank you, Councilman Brown. We will have an opportunity to talk to the Highway Department a little later this morning. I will mention that there is an ongoing process for the task force with the Commissioners concerning reorganization. This came about after the election. I have been a member of that committee in attending those sessions. They are moving closer to some recommendations that they may have for us as Council. We will watch for those in the coming weeks or months. I will give you some indication that there are some thoughts about further strategic planning and maybe there is a role that County Council can take as a lead to help coordinate strategic planning for the County. Another one is even the adoption or consideration for a zero-based budget. That would be a considerable change to our County structure. Those have not come to us yet and are still being discussed. It is a possibility that the third item could even be some

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kind of coordinating performance reviews. We'll watch for those recommendations probably in the next thirty to sixty days. Council, are there any other items from a liaison standpoint that we need to cover?

**Roy Buskirk:** I am not sure if this should be now or at Public Comment but I know that the Auditor's Office and Tera has come out with a new program on Vet Honor. Is that correct, Tera? It was in last night's paper.

**Tera Klutz:** I didn't know about that program but my office definitely honors the veterans. We have a property tax deputy that handles the property tax deductions and then the Veterans Affairs Officer is located right next door.

**Roy Buskirk:** What the program, in the paper explained, is that veterans can contact your office or go online and fill out a form so that they can receive a card that would give them discounts to different businesses in the community.

**Tom Harris:** That might be through the Veterans Affairs Office.

**Tera Klutz:** It might be. It sounds like a wonderful program. I will go back because I don't know anything about it.

**Roy Buskirk:** Sorry, I just wanted to thank Tera for doing a wonderful job.

**Tom Harris:** Councilman Brown.

**Bill Brown:** I was recently invited to attend a presentation by the Purdue Extension Office. I felt I knew quite a bit about the organization but their planning and strategy, their Board put together quite a presentation. The information that they presented was much broader in scope than I realized what the Extension did. The community impact, etc., is quite extraordinary.

**Tom Harris:** All right, Council, are there any further comments? Is there any public discussion at this time? Nick.

**Nick Jordan:** Before you close this meeting, Non-Binding Review is advertised as part of this meeting.

**Tom Harris:** Oh, it is part of this meeting.

**Tera Klutz:** You can still do the approval at the end of the meeting but just don't adjourn.

**Tom Harris:** Okay, very good.

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**Bill Brown:** I will make a motion to approve to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council meeting of September 17, 2015.

**Joel Benz:** Second.

**Tom Harris:** We have a motion and a second. All in favor say aye, all opposed same. The motion passes 7-0. Council, I would recommend that as we move to the Non-Binding Review we might take a five minute recess. Do you want to make that seven minutes?

Recess

**Tom Harris:** We are going to reconvene our meeting of September 17<sup>th</sup>. We will move to the Non-Binding Review portion of our meeting.

**Nick Jordan:** I am going to give a brief overview of what we are doing and then pull the Library up here real quick. In your notebook for the Non-Binding Review, the second page, it gives a little bit of an overview. What we are doing here is a Non-Binding Review of all civil units' budgets that have a majority of elected Board members. Additionally we are going to do the Library because they do not anticipate going over the six year average growth quotient of 2.6% this year. You can see in the first bullet point that the civil tax units must submit their proposed tax rate, proposed tax levy and proposed budget for the upcoming budget year. Schools only have to submit their tax rate and levy. The third bullet point is that you are going to issue a non-binding recommendation for everyone except the schools and that recommendation must include a comparison in the taxing unit budget or tax levy to the Statewide and County's six-year average non-farm personal income and a comparison of any increase in the taxing unit's budget and levy to increases in the budgets or tax levies of other tax units within the County. If you can, go to page four. That is Aboite Township. We will walk through this one quickly, the different aspects of the worksheet so that you understand what you are looking at. In the upper left-hand corner, you will see the State Growth Quotient and the County Growth Quotient for 2014pay2015 and 2015pay2016. Please note that the State Growth Quotient looks at six years, 2008 through 2014, and the County Growth Quotient looks from 2007 through 2013. County information is lagging because it is a more detailed basis. It is a little bit hard to compare the two because you are looking at two different periods. As well as the fact that when you think of the State level, if you have growth in one County compared to County number 92, they kind of smooth each other out compared to just looking at one County in and of itself. Those are the two different aspects there. Right below that you will see the County Average Total Proposed Budget Increase Percentage. Then the Total Proposed Levy Increase Percentage. I calculated these and that is page three. It is important to note on these forms you will see multiple funds. In order to calculate this average, I only took into consideration the budget order funds. You may see Casino Riverboat Funds, CEDIT and some have Home Rule Funds. I just used what is in the budget order and those are usually the property tax funds. If you go to Fort Wayne, as an example, on page ten. In the lower section where it says Budget,

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it lists their funds General, Fire Pension and Police Pension, the second to the last one is Economic Development Income Tax which is CEDIT. It doesn't populate the 2015 certified budget. That is because it is not a budget order fund. It just populates 2016. That skews their increase of 30.8%. The alternative is either I go back and enter all of the 2015 figures or I pull those 2016 figures out to just compare the budget order funds. The reason being that there are Home Rule funds and for example, the County has over 200 funds. In order to see our total budget, you would have to factor in if you wanted to do 200 funds or so. The same thing with other cities and towns and so forth you may have multiple funds that don't show up here.

**Tom Harris:** With that a question. 2015 certified budget for Economic Development compared to the 2016 are standardized increases based on a formula and not something that is decided by that entity. Is that correct?

**Nick Jordan:** The actual amount for CEDIT, in particular, the amount of revenue that they are going to receive is given to us by the State. Let's say they had a cash balance sitting in there like we do in ours. They can budget for a lot more than they anticipate receiving. We may budget, on the County side, \$13 million in CEDIT. We may only receive \$6 million but we have cash balance that we can use to offset those budget expenses.

**Tom Harris:** So you wouldn't necessarily be able to compare if they are going to double their budget from last year because the last year numbers are not in here.

**Nick Jordan:** We can definitely pull them up as I have last year's numbers also. The only reason that was done is to factor the average proposed budget levy increase, the 5.37 and 7.49.

**Tera Klutz:** It is for reasonableness. The budget order covers funds that are primarily through property tax revenue. Property tax revenues are collected through the taxpayers. That is why they are important along with some of the fee funds like the Highway Fee Fund. There are five or six funds that are very important. The other funds get fee revenue and are not charged to taxpayers and therefore they are not reasonably included in here as a target. You are looking at this as a benchmark. What is the average of all of the thirty units in Allen County?

**Nick Jordan:** In the upper right-hand section of the worksheet you will see the 2014pay2015 certified net assessed value and the 2015pay2016 net assessed value estimate. You see the percentage change. Please note that the percentage change can fluctuate from sheet to sheet because the 2015pay2016 is an estimate figure. They can use what the Auditor's Office gave to them on the Auditor's Certificate which was approximately a ten percent decrease from the 2014pay2015 abstract. They can put in whatever they want and in Springfield, they didn't put in anything. There will be fluctuations and so keep that in mind. The reason we estimate low is to ensure that the tax rate is high enough to capture the tax levy. The pool of assessed value to pull from is going to determine how high the tax rate is. The advertisement essentially sets the max.

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What you are saying is that this is my budget, this is my levy that I anticipate at the max and you are locked in at that. That is what we will get down to when we get to the next section. Some of these are very, very high and that is to ensure that they can at least capture or set the tax rate for the anticipated levy. In the next section you see three different boxes there or columns. One is budget, one is levy and one is tax rate. What it looks at is the 2015 certified figures for budget, levy and rate. It then looks at the 2016 proposed budget, proposed levy and proposed tax rate. The levy and the tax rate are calculations based off the net assessed value. You have this pool of net assessed value to pull from. You want to capture this much of the levy and this is the rate that you need to charge in order to get that levy. You see some comparisons to the State Growth Quotient and the County Growth Quotient. The very bottom piece asks three questions and I put the units' responses and if they did not respond I put did not respond. If they submitted a nice letter, I would throw that in behind and said "See Attached". At this point, it is a very rough overview but as we go through each one, we can go into more detail but since the Library is here, if you want to turn to theirs, it is on page 24.

**Tom Harris:** Are there any questions for Nick, at this point? If not we will have the Library come forward.

**Dave Sedestrom:** Dave Sedestrom, I am the Chief Financial Officer of the Library.

**Greta Southard:** Greta Southard, I am the Director of the Library. Thank you for giving us time on your agenda. As Nick sort of outlined, we have submitted our budget and we factored in the maximum State Growth Factor of 2.6%. We don't anticipate any excess levy appeal as being necessary for us. One of the other questions in your document is "Do we anticipate giving staff raises?" In the budget, we have incorporated three percent in our compensation line but ultimately it will be the decision of the Board as to what the final compensation is. Dave, I will turn this over to you because he really is the detail man with the numbers.

**Dave Sedestrom:** Good morning and thank you also for having us here this morning. As Greta had indicated, we are sticking with the 2.6% maximum even though as Nick indicated, our budget actually is much higher. The budget is at 2.6% but the levy and tax rate are much higher in order to advertise. There is not really anything outstanding in our budget. The three percent is what we are putting in the budget in order to accomplish not only the raises but any changes that are happening with benefits. I am sure that you know that, as a lot of entities are, we are trying to scramble with the Affordable Care Act and those items plus there are changes in FLSA, exempt versus non-exempt issues that may affect our salaries. We are kind of keeping that budget figure in there and may have to be massaged to go to all parts of that. The budget still incorporates approximately \$1.2 million for capital items. Believe it or not, we were just looking at this and it seems like yesterday that we accomplished the expansion of all of the library system but we have roofs that need to be repaired. These are from 2001 that are going on fifteen and sixteen years. We have a ten-year capital plan that we work our improvements off of and the Property Manager maintains. It acts as a guidepost for what we are going to be looking at for the coming years. Other than that, as Greta indicated, we are not looking at spending

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anything on an extraordinary excess. As the question indicates, we still have a Rainy Day Fund but there are no plans at this point. It is kind of being kept in reserve in order to address any major items that hopefully aren't an emergency situation. If we needed to, we would have to come back to you all to get an emergency appropriation.

**Tom Harris:** How does that Rainy Day Fund compare to last year?

**Dave Sedestrom:** It is exactly the same.

**Tom Harris:** Are there any strategies or thoughts to expanding it?

**Dave Sedestrom:** Not really. We've got that and our Library Improvement Reserve Fund that are really being held for those major capital improvements over and above what the Capital Improvement Plan calls for. The ten-year plan is we need to replace this HVAC system or we need to do that roof.

**Tom Harris:** So those are already built into your budget.

**Dave Sedestrom:** Exactly.

**Tom Harris:** Is there any rationale for the amount of the Rainy Day Fund?

**Dave Sedestrom:** No.

**Greta Southard:** I can't speak to whether there is a rationale or not because that predates me but in terms of things we are looking at for the future we are studying whether we should implement an RFID system. That system would allow radio frequency chips, little tags in the books that would allow us to streamline the checkout process which is fairly streamlined now. In terms of streamlining a return process and making greater use of automated sorter systems at more locations. Also streamline the time between physical check-in and getting materials out on the shelves. Our RFID frequency is something that could position us for the future to have even greater technical enhancements in terms of how we manage our workflow. We are studying things like that. We are studying floating collections and what that means is that instead of an item being assigned to a particular location, for example an item is assigned to the Main Library and someone returns it to Tecumseh, when it comes back to Tecumseh it is then shipped back to Main. If you go down the path of floating collections, wherever that item is returned is where it stays until it is checked out and returns somewhere else. Moving in that direction would allow us to less transportation of materials in terms of shipping things back and forth. That would allow us to potentially redeploy those savings in terms of other services to the public. We are looking at all of these sorts of things in terms of how we do business and the kinds of technologies that we would need to implement in the future. One of the things we are also taking a look at and we are under the gun, so to speak, is the whole pin and chip technology in terms of processing credit card payments and making sure that we are EBM compliant. That has to do with the financial management of credit cards and making sure that we are not putting ourselves in any liability situation. Yes, we have

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money in reserve in these different funds but we are not sure to what extent we may need to tap into them in the future. At this point in time, we don't have any plans.

**Tom Harris:** In terms of building structures, you talked about some renovations to current structures and such. No plans to expand or additional bricks and mortars, at this point?

**Greta Southard:** No plans to expand. We certainly have needs in the sense of we have a particular branch that is far too small. The location is too small for the use and service population. At this point in time, we don't have any plans to relocate that branch or to take action on it.

**Tom Harris:** Is that the northwest side of town?

**Greta Southard:** The branch that is clearly too small is Aboite. Parking is too small and the facility is too small.

**Tom Harris:** One of the questions that I have asked is about understanding that more and more technology is moving and you can pull everything to your iPad and you don't necessarily go into the building. Are you moving in that direction? Are you buying fewer books? Are you still filling the shelves?

**Greta Southard:** Good question. The way that we use our collection dollars is evolving. We are looking at consolidating what I call our pots of money in terms of our collection materials. Right now we part things out pretty specifically in terms of books, e-books, computer software, databases and trying to pull together a more unified pot of money. As our circulation patterns change, we can devote more of our resources to the kinds of materials that our community is now checking out. Right now, our electronic circulation of stuff is increasing but not overwhelming in the sense of overtaking print materials. There is a place for all of these things and we see that our facilities are being used much more in the nature of community centers. That is good because we want them to be community centers. The format will always continue to evolve in terms of the container that the information is housed in. We always have to keep our eye on that and plan for the future.

**Tom Harris:** Councilman Brown.

**Bill Brown:** As Council's representative to the Board, I have really enjoyed the experience. The fact that the libraries are broadening into other areas such as the Makers Movement which is a small scale of advanced manufacturing. That is another learning element. Realizing too, for the lack of a better term, there is a function of the library that is a museum. That is for the last of certain printed publications that are kept in storage. I do think there is an appetite by the staff and Board to be as cutting edge as possible and knowing what the public wants to see in their library. One other piece of this is when you look at trying to connect the libraries to the educational systems, I know Greta when she came on as Director that was an area that she felt very passionate about. This community

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center component, we all know there is a big initiative in the whole early third grade learn to read and read to learn movement. One area I would like to talk about is that we have penciled into our budget roughly a 2.2% employee increase. The library has penciled in three percent. One thing the library did, two or three years ago, was a tiered system. The more highly compensated received a certain grade and the lower compensated received a higher increase. A lot of that was based on annually the library does an external equity audit. There is very good information about what is out there and what is paid. I am happy to say that the Allen County Public Library is high on that scale well above 50% on average. I think the library is in a position to be able to carry that larger increase. A little bit of a report there.

**Tom Harris:** A question on that. Decisions are going to be made, what is the timeline for that decision? How does that compare to maybe last year?

**Dave Sedestrom:** The decision typically is made in our November meeting. It is based on, as Councilman Brown said, extensive outside surveying of salaries of peer organizations in the local area. We use that to determine where areas we are falling behind in and what areas we are okay in as far as salaries. The administration compiles a plan and sends it to the Trustees who then make that decision in November.

**Greta Southard:** And for example, last year we incorporated a three percent increase in our salaries but the reality was the Board approved a two percent increase. That difference that we had available to us then allowed us to take a deeper dive and look much more closely at internal equity within classifications. Based on that we were able to make some adjustments in terms of some inequities that had arisen over time when the starting baseline, hire-in salary changed for new hires but existing employees in that pay scale weren't moved along a comparable percentage. We were able to make some corrections because we had that available to us in the budget.

**Tom Harris:** Councilman Buskirk.

**Roy Buskirk:** I had a question along that. You don't use the County's HR Department or anything to determine wages or classifications?

**Greta Southard:** No, we have our own HR Department. Our HR Manager reaches out to other agencies to see what is on their minds and what they are paying attention to. We certainly don't want to be out of line in terms of...

**Roy Buskirk:** But the Library has consistently given higher increases than what the County does.

**Greta Southard:** I can't speak to that. I don't know what the past practice has been.

**Tom Harris:** I think last year we gave a two percent increase and the Library gave two percent.

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**Roy Buskirk:** You had stated a three but ended up with a two.

**Greta Southard:** In terms of what we budget for but this was really a function of planning, if you will, in terms of what is ultimately decided. That is a function of the Board and they make that determination based on here is what is made available in the budget and how much you want to allocate.

**Roy Buskirk:** I understand. In reference to your retirement program, is that PERF or are you on the County's 401?

**Greta Southard:** We are PERF.

**Dave Sedestrom:** We are PERF.

**Roy Buskirk:** And you are remaining under PERF?

**Dave Sedestrom:** Yes, for now.

**Roy Buskirk:** Health insurance...

**Dave Sedestrom:** We are a self-insured entity.

**Roy Buskirk:** Through the County's program?

**Dave Sedestrom:** No, our own.

**Roy Buskirk:** Okay. I guess the one thing that always surprises me a little bit is that some of the buildings that need roof repairs are only fifteen years old? A lot of roofs have warranties that are longer than that. Are these flat roofs?

**Greta Southard:** There you have it. Buildings are always going to have a certain amount of expenses associated with ongoing maintenance. The roofs that have been replaced are not flat roofs.

**Dave Sedestrom:** One of them was Shawnee which has a very unique roof system. It is one that needed to be replaced because it had a very steep section going into a flat section. The Little Turtle Branch had a flat roof that leaked and needed to be replaced also. Right now the plan isn't need but the only other ones that happened in the prior year were Aboite and Dupont and they were not part of the expansion program. Those were from 1991 and 1996.

**Roy Buskirk:** But the roofs that you are talking about now, do any of them have any warranty? Your asphalt shingle homeowners have 20 to 25 years. I realize it is a prorated basis and it might now be much.

**Dave Sedestrom:** Not according to our Properties Manager.

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**Roy Buskirk:** Okay.

**Tom Harris:** Your tax rate is 11% increase over last year, right? Actually it is about 12%.

**Dave Sedestrom:** Right. That is based on what the formula spits out for you for advertising for a sufficient rate. The rate anticipated will not be any more that the 2.6%.

**Tom Harris:** That is what I wanted to understand. Councilman Brown.

**Bill Brown:** This isn't quite germane to this conversation except that I want to mention the collaboration that the Library uses for capital improvements. For example, the clock that was just added to the Plaza is quite a feature and was done in collaboration for the 100<sup>th</sup> anniversary for the Rotary Club. They have the Plaza events like Rock the Plaza and is a value-add to the community. These assets are being utilized and I am just emphasizing in ways that are reaching out and broadening the impact.

**Tom Harris:** Thank you. Are there other comments or questions, Council? Hearing none...

**Nick Jordan:** Just thank the Library for coming.

**Greta Southard:** Thank you for giving us time on the agenda.

**Nick Jordan:** It is strictly voluntary and non-binding and they are one tax unit that continuously comes.

**Tom Harris:** We thank you for that.

**Dave Sedestrom:** We enjoying coming and talking with all of you.

**Nick Jordan:** Just to go back over some of this, Tom you asked this last year to look at the raises across the board. There is the potential for 37 responses including the County. There were four that did not respond. That left 33 and out of that there were 20 units that did budget for a raise and so that is around 60%.

**Tom Harris:** Is there an average amount?

**Nick Jordan:** No, I did not calculate an average and for the fact that some of them just say "Yes". The Southwest Fire District will be coming up but they noted no raises but a health insurance overage that may possibly be covered. You can talk to them when they come up. The other thing I wanted to talk about depending on how you want to go through this, we do have to at least pull out the four school districts and review those. We can start with those or go from the top and work our way through. It is whatever you choose. We will not give a recommendation to the schools; we just have to review them.

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**Tom Harris:** If we could please, move to the schools. Councilman Brown.

**Bill Brown:** Do the schools have personnel here?

**Nick Jordan:** The Library was the only tax unit that wanted to present for the non-binding. For the binding review, all three tax units are here.

**Roy Buskirk:** Why don't we go to the ones that are here?

**Tom Harris:** Why don't we go to the binding review?

**Nick Jordan:** We have to finish this one.

**Tom Harris:** We have to finish the non-binding meeting before we go to the binding review. You can do this and give us an understanding.

**Nick Jordan:** East Allen County Schools is on page seven. You actually get more guidance if you look at the responses because they are advertising high. If you go to page eight, you can see that they have a letter from Kirby Stahly and he has noted that in response to question one, they do not anticipate going over the 2.6% for the levy increase. He talks about how they have advertised high. He estimates right at 2.59%. They do have a Rainy Day Fund with a \$2.5 million balance and he notes that they will use it to cover essentially timing of revenues kind of like what we do.

**Tom Harris:** East Allen County does have a Rainy Day Fund.

**Nick Jordan:** Yes approximately \$2.578 million. They use it for internal cash flow purposes instead of getting tax anticipation warrants. They anticipate increases in wages from collective bargaining as well as step increases. Again, we don't make a recommendation, we just look at these and you can see that their budget overall is a four percent increase. The levy is advertised at a little over 13% and the tax rate is almost a 26% increase. That is just for advertising purposes. The next school is Fort Wayne Community Schools. Their worksheet is on page 11. Kathy Friend even provides her internal estimate of where she expects to be and that is on page 13. It shows a very slight change in both budget and overall levy. You can see a .7% increase in the budget and a flat levy. A big portion of that is due to the decreases in debt service. Back to their responses, she noted that they do not anticipate going over the 2.6%, they don't have a Rainy Day Fund and they anticipate negotiating with bargaining groups for raises in 2016. If you look at their worksheet, it shows a little different budget going up by 2.15%, levy up by 15.63% and the tax rate almost a little over 28%. Those are just for advertising. The next one is Northwest Allen County Schools. That is on page 32 and they advertised a budget of 6.52% increase, the levy at about 1.5% increase and tax rate at approximately 23% increase. Same thing on their responses, the property tax levy will not be more than 2.6%; they have a Rainy Day Fund of a little over \$1 million which would be used to cover revenue shortfalls...

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**Tom Harris:** So Northwest has a Rainy Day Fund.

**Nick Jordan:** Yes, or unforeseen expenditures. Based on current projections, they anticipate a pay increase dependent on 2016 funding levels and no final decisions have been made at this time. The fourth and final school district is Southwest Allen County Schools. The same thing, their worksheet is on page 39. If you look at the advertisement, their budget has almost a three percent increase overall. The levy is a little over 11.5% increase and the tax rate is almost 24% increased. If you look at their responses on the next page they have not experienced any unique financial issue that would cause them to raise their levy greater than 2.6%. They noted that possibly their bus replacement may exceed 2.6% based on the 12-year cycle. They have a Rainy Day Fund and as of July 31<sup>st</sup> it was approximately \$1.5 million. They don't have any current plans for this.

**Tom Harris:** Southwest does have a Rainy Day Fund.

**Nick Jordan:** Yes, sir. Finally, their raises will be connected to school funding increases approved by the Legislature.

**Tom Harris:** So it appears that one of the things I was looking for is that Fort Wayne Community Schools does not have a Rainy Day Fund and everybody else does.

**Nick Jordan:** Correct. That is what they noted but they may have a cash reserve like the City of Fort Wayne has a cash reserve. I will check on their sheet since I can't remember off the top of my head.

**Tera Klutz:** I think historically the Fort Wayne Community Schools system has tried to have a Rainy Day Fund but several years ago every time they went to the table for negotiations with the union and they had a Rainy Day Fund, they felt that the union always wanted them to use the Rainy Day Fund. As a general rule, they have used that down and cash reserves have remained in their General Fund.

**Tom Harris:** Roy.

**Roy Buskirk:** Southwest has outside the levy rate, correct?

**Nick Jordan:** They have a referendum, yes.

**Tera Klutz:** Outside of the Circuit Breaker.

**Nick Jordan:** 2016 or 2017 is the last year for theirs.

**Roy Buskirk:** Is that typical on referendums to have an ending year?

**Nick Jordan:** Fort Wayne Community Schools is much longer and has multiple parts. I think they have another piece of it coming up. One is debt and one is operating. Southwest Allen County was an operating referendum and Fort Wayne Community

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Schools is debt. East Allen County Schools is proposing for school improvements. That is similar to the Fort Wayne Community Schools.

**Tom Harris:** Just another point on that is that the other three school systems also have unions, I believe.

**Tera Klutz:** I am pretty sure that all of the teachers are in unions however the Rainy Day Fund wasn't contentious in the negotiations at the other schools.

**Tom Harris:** Council, are there any other questions about the school systems? Again, it is a non-binding review and so it is information for us and nothing for us to act on. At this point, we move to close this session?

**Nick Jordan:** There are other taxing units. Citilink goes before City Council and not ours. There are other townships that we can discuss...

**Tera Klutz:** Or you can make a blanket recommendation. Basically you are reviewing them all and they are in your packet. You have the summary before you. It is a really tough position right here because regardless of what they put or what budget they have submitted or the recommendation that you would make, it is non-binding. Sometimes Council has just chosen to make a blanket recommendation, we have reviewed the budgets and we recommend that the levy does not exceed the growth factor.

**Tom Harris:** That is what we have done traditionally? And that would be in the form of a motion.

**Nick Jordan:** I have a draft.

**Tom Harris:** With that would there be interest in making a motion?

**Bill Brown:** I will make a motion that we have reviewed the proposed budgets, levies, and tax rates for 2016 and compared said budgets and levies to the Statewide Average Growth Quotient, the County Average Growth Quotient, and the Countywide Average Proposed Budget and Levy increases within the County. We recommend that the tax units not exceed the Statewide Growth Quotient of 2.6% for their proposed tax levy when adopting their 2016 Budgets.

**Larry Brown:** Second.

**Tom Harris:** **We have a motion and a second. Is there any further discussion on that?**

**Roy Buskirk:** I just want to thank the State Legislature passing that we have to review them and they are non-binding. It takes an hour or so of my time, wasted.

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**Tom Harris:** I know the State Legislature continues to look at that in terms of what responsibility and what kind of communication should Council have with these different budgets. We'll have to wait and see that they don't waste Roy's time in the future.

**Roy Buskirk:** It is not only my time but additional time that the Auditor's Office spent on this presentation and it is a pure waste of time.

**Bill Brown:** I would like to say that there is value there. I do understand your frustration that it is non-binding but there is an awareness component with these various entities. It gives them the opportunity to tell their story and it gives the public the opportunity to understand it and what they are doing and so I think there is value there. Actually there are some entities that are operated out of Allen County and are basically extensions of the State and we have no idea how all of those tax dollars are being spent. There is no review of services and things like that.

**Tom Harris:** That is something further that the State Legislature will continue to work out in the coming year or years.

**Bill Brown:** Public awareness is important. When it comes to the fiscal aspect of where tax dollars are going, I think it is important to share that information.

**Tom Harris: Council, any other comments or questions? All in favor say aye, all opposed same. The motion passes 7-0.**

**Nick Jordan:** Again, that recommendation was not for the schools.

**Tom Harris:** Are there any further discussions, at this time? I understand we need to adjourn this meeting to move into our budget hearing. Is that correct? Council, is there a motion for adjournment?

**Sharon Tucker:** I will make a motion that we adjourn the regular County Council meeting.

**Bob Armstrong:** Second.

**Tom Harris: We have a motion and a second. All in favor say aye, all opposed same. The motion passes 7-0.** Does Council want to take another five minute break or are we okay moving forward into the session? Full speed ahead and with that we will open our hearings for the budgets of 2016.

**Nick Jordan:** I will give a brief overview because we have the three binding review units here. You should have a notebook for the binding review process. If you can't find it, let me know and I will come down there and help you find it. For the binding process, you are going to adopt these units' budgets. I provide the IC references there. It includes the Allen County Solid Waste District, the Southwest Fire District and the Airport Authority. They do not have a majority governing board composed of Elected Officials and similar

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to the other units, they submit their proposed budget and tax levy to the Auditor's Office and the County Council. Today you are going to review their budgets and in October we will adopt their final budget and tax levy. At this point, if you have any questions or if not, we can bring up the first one, the Solid Waste District. Their information starts on page three of your packet. You will see a review worksheet that is similar to the non-binding. I compiled it so that it is a similar aspect as to what you saw for the non-binding review. The rest of the pages, Budget Form 1, Budget Form 2 and so forth are taken from the DLGF Gateway that is completed by the binding review units.

**Tom Harris:** Nick, thank you.

**Nick Jordan:** You should have received also, in a separate email, a presentation from the Solid Waste District. That came in a little bit after the fact.

**Tony Burrus:** Tony Burrus, Allen County Solid Waste District Director. With me is Carol Strauss, our Fiscal Officer.

**Tom Harris:** Tony, why don't you tell us a little bit about the budget and what you are proposing for 2016?

**Tony Burrus:** In 2016, we have proposed a two percent increase in our budget. We are charged with the reduction of waste that goes to the landfill. Unfortunately we are a victim of our own success and programs. For example, we are handling mercury items. We started out eight to ten years ago realizing only about 2,000 fluorescent tubes a month at our collection site. We are now seeing 5,600 lights a month now. With electronics continuing to increase, we started off shipping to our manufacturer one semi every two months and we are sending a semi every two weeks now. With the residents, we are charging minimum fees but we are still continuing to grow our programs. One of the reasons for the increase also is that we will be expanding programs such as our household hazardous program working with the City of Fort Wayne in providing additional opportunities beyond Toxaway Day. Those are the types of things that will have a significant impact on this budget.

**Tom Harris:** The biggest challenge that you are facing going forward into 2016, and maybe you just said that, in terms of your biggest challenge for the department and the function. What comes to mind?

**Tony Burrus:** Like I said, the public has endorsed recycling as well as businesses but there are two issues. Businesses have endorsed recycling and realized our funding, basically 99% of it, comes from tipping fees. Sixty percent of that volume is industry. Twenty-one percent is commercial and about 19% is residential. As you see, many of the businesses across the State and in Allen County are going zero landfill which has a major impact on us because we realize \$2.50 a ton for all waste generated outside of Allen County. That is about 40% of the waste and \$1.35 a ton for all waste generated in Allen County. As those numbers for disposal rates keep going down, so does our income. Programming and State statutes keep changing and requiring us to take on more and

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more. This Legislature invoked a 50% recycling goal. It doesn't have a date on it but they adopted that in the last year. They still want us to continue with education, waste reduction activities and recycling activities.

**Tom Harris:** One of the questions that came up in regards to the reserve funds and what those funds could be used for and if different communities would have a need for those. Is that something that is going to be discussed in the coming year, do you anticipate?

**Tony Burrus:** The use of those funds, discussions are ongoing at this time. I think we are coming to a crossroads where we may have at least a format where we can gauge this and what we will be doing it with those. One of the things is looking at how equitable we can be across the board and apply the same process to everyone and not just to some.

**Tom Harris:** At issue is the reserve fund, is that correct?

**Tony Burrus:** It is our funds that have not been appropriated. As a non-taxing unit, technically we cannot have a Rainy Day Fund but in effect, it is a Rainy Day Fund.

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

**Roy Buskirk:** Tony, you mentioned as far as the revenue stream the tipping fees and everything. On the recycling items, is there a market as far as selling those items or are some of the items a cost factor on moving them on through?

**Tony Burrus:** Yes, the recyclables have traditionally had a very high value. Commodities are dropping significantly. Due to the economy, a lot of the materials being purchased by China, they are not purchasing that now, low fuel costs and a lot of those things are changing. I am happy to say whether or not the commodities will increase, there are other recycling opportunities should be online by next year and we would be able to pull much more out of the waste stream. We are seeing that corrugated is at \$200 a ton a year ago and now it is less than half that. That has been across the board for some of the other things.

**Tom Harris:** It is correlated to the economy then. No changes in trends or anything?

**Tony Burrus:** No. So having these volumes, it is getting more difficult to get rid of certain materials but it still costs the processor \$77 a ton to process it. You have to clean it, densify it, shred it and provide a value-added service before that material can be shipped on to an end user who more than likely may purchase it. Right now most processors are paying to get rid of glass as opposed to someone purchasing it from them.

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

**Roy Buskirk:** Just a comment on that glass, it used to be one of the very good items and even some of it was shipped down to Dunkirk because of the natural gas they have down there. They make a lot of glass.

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**Bill Brown:** I just want to make one quick point. While it does make duress on your budget, the fact that the tipping fees are down, Solid Waste does a celebration for the entities that do reduce their waste and recycling. It is the goal to go to zero where you can.

**Tony Burrus:** We are one of the few agencies whose charter is to basically work yourself out of a job.

**Tom Harris:** Are there any further questions? Hearing none, at this time there is no action required?

**Nick Jordan:** County Council can reduce or modify their budget and you can make suggestions. You won't adopt their budget until next month.

**Tom Harris:** Very good. Thank you very much.

**Nick Jordan:** The next is the Southwest Fire District and that starts on page ten of your binding review notebook.

**Ellis McFadden:** Good morning, Council and Auditor's staff, Ellis McFadden, Chairman and Fiscal Officer.

**Larry Owen:** I am Larry Owen, Board of Trustees.

**Don Patnoudé:** Don Patnoudé, Fire Chief.

**Tom Harris:** Good to have you with us this morning. Can you tell us a little bit about your proposed budget?

**Ellis McFadden:** Since you have covered responses, I think I will start with that. One of the responses was the Rainy Day Fund and I think we have \$67 in it but in January I think we will move that to the General Fund. On employee raises, we say no but then the health insurance blows that out of the water. When you look at the notice to the taxpayers, our total budget is \$38,000 more than last year. Health insurance is \$44,000 more than last year. That actually gives the employees tax free money that we really can't control.

**Tom Harris:** Explain that last part just a little. Sorry for the long pause.

**Ellis McFadden:** Health insurance is tax free to the employees.

**Tom Harris:** Okay.

**Ellis McFadden:** So that gives them a tremendous increase.

**Tom Harris:** I see, as that goes up.

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**Ellis McFadden:** It is pre-tax.

**Tom Harris:** Okay.

**Tera Klutz:** They are paying for it but tax free, we are paying for it. I think that was Ellis' point.

**Roy Buskirk:** That is something that they keep talking about possibly taxing health insurance.

**Tom Harris:** Otherwise, you are saying that you are staying within the 2.6%?

**Ellis McFadden:** Yes.

**Tom Harris:** Are there any other comments you would like to share? Council, do you have any questions?

**Roy Buskirk:** Do you foresee any capital expenditures, fire trucks or any items in the next year or two?

**Ellis McFadden:** What we have done on several occasions, we bought through a Gov deal and in fact we have a 100' ladder truck that we purchased a couple of years ago for \$25,000. It was an \$800,000 piece of equipment. We have spent some money on it. Presently the one that we recently bought is in St. Louis getting the rotating bearing replaced so that it gives us a backup on some of this. Also, I feel proud when we have some of the largest investments in Allen County that we cover particularly the General Motors \$1 billion going up right now.

**Tom Harris:** I was going to ask that question in terms of how does that change. You are responsible for any fires that would happen at that facility and does that change some of the demands in what you have to provide and such?

**Don Patnoudé:** That is actually why we purchased the 105' ladder. That gives us access to their highest point. We have a foam trailer which was purchased through the County and it is stationed out there. The one good thing is that they are going to transition into a water-based paint. They will still have some thinners out there but not to the capacity that they have now. Obviously, the addition of Station 4 located off Lower Huntington Road right to the rear of General Motors, it positions us in a pretty good response time because we have General Motors, Vera Bradley and Group Delphi. They are all located between the two stations. We have a very good response time over there.

**Tom Harris:** I was thinking that some of the fire locations are responsible for mostly residential but you have a very huge industrial piece.

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**Don Patnoudé:** The one thing that we are kind of unique in is that some of the facilities that we cover are very large. If you look at the General Mills that is a 1.5 million square foot facility and you look at General Motors and going back to what Roy was asking on, a lot of our equipment is geared towards that. To give an example, Fort Wayne Fire Department's air packs are rated at 30 minutes. Ours are rated at 45 minutes and we also have one hour packs. That is because of the size of these buildings and what it takes for us to access deep into those buildings, we have to have more air time for our people to get in and out of those facilities. That is unique. The 30-minute packs are nice because they are lighter. When you are talking about expenditures, kind of going back to what Roy was asking there, when you look at our Cumulative Fund and any Fire Department Cumulative Fund, you think there is a lot of money there but when you look at what we have to pay for equipment and what some of these standards are coming out today, the latest one we are being hit with is our turnout gear. Just the coat and pants are \$2,200-\$2,300 for a set and there is a lifetime of ten years placed on that by NFPA. That means that after ten years it has to be replaced. It can still be in the wrapper, on the shelf and it still has to be replaced. Nobody will repair it after ten years. In many ways, it makes no sense. We have people who go through the gear just because of the activity level. That is something that we have to budget and is something that is coming up because the last round we purchased in 2007 was actually through a Federal grant. That was about sixty or seventy sets but we have been kind of phasing in new gear in anticipation of that. The other big one goes back to the air packs. The air bottles have a fifteen-year lifespan. We have over 100 of those and they run from \$560 to \$850 per bottle. You have to factor those in. The big one is going to be the ladder truck. Our 1997, which makes the majority of all of our runs, is getting towards the end of its lifespan. It is just a worn out truck. It is the one that is down being repaired right now in St. Louis. That will probably be an expenditure of \$850,000 to \$1 million. It takes a lot of time to build up that cash to be able to make those purchases. I think you have seen that when we built Station 4 we did a really good job of building that money up and were able to put that station in with considerable savings in insurance rates for a lot of the taxpayers.

**Tom Harris:** What is the number of volunteers and paid staff?

**Don Patnoudé:** We have 13 full-timers. We have a large pool of part-timers and that is becoming more popular for us probably in the area of 15 part-time...

**Tom Harris:** And those part-time are paid positions?

**Don Patnoudé:** We have our live-in program where we have five in the new station. The volunteers fluctuate between 60 and 70 per year. We have quite a few that just started training and it takes about three months from when they start the training until we can put them on a truck.

**Tom Harris:** How many, again?

**Don Patnoudé:** Sixty to 70.

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**Tom Harris:** All eyes are on the expansion that is happening. Redevelopment may also do some things depending on what they decide to do with further expansion. There would be anticipation with that additional expansion of GM that there may be other employers coming. I suspect the demand keeps climbing.

**Don Patnoudé:** That is why when we put Station 4 up and where we put it was in anticipation of that. I also heard there is going to be additional housing project put in the area of Ernst and Homestead. We anticipated that and know that the area is growing with the Silverado property and all of that out there. The run volume is going up. That is something that is interesting. Two years ago we were averaging 50 to 60 runs per month and now we are at the 100 runs mark. It has gone up considerably.

**Tom Harris:** That is considerable. Councilman Brown had a question.

**Bill Brown:** The concept you mentioned about the \$2,200 worth of high quality product in the box, in the wrapper. Ten years, throw it in the dumpster. I realize that is a guideline that you have to go by. I personally don't need an answer now but I would like to get with the manufacturer, and maybe you know this answer, but what is the rationale?

**Don Patnoudé:** The degradation of the product. The problem is when you make this turnout gear, and it has become very sophisticated, is it not just fire resistive it also has to be blood-borne pathogens and so forth. There is Gortex and all of that is involved. We have to inspect our gear every year and actually we do it annually...

**Bill Brown:** I don't want to interrupt you but I guess what I am saying is I would like to understand what the manufacturer has to say about why this high quality product degrades in the wrapper, in a box, on a shelf in ten years to the point to where it is worth zero.

**Bob Armstrong:** It is the same thing with bulletproof vests.

**Roy Buskirk:** Exactly.

**Bob Armstrong:** They can only use them for so long and then they have to get rid of them.

**Bill Brown:** I guess the only thing I am saying is I would like to have the manufacturer specifically help us or me to understand why that is. It seems ludicrous to me. It makes no sense. Granted, public safety is a very big thing and I don't want to put anyone in harm's way. It seems like planned obsolescence to me.

**Dan Patnoudé:** You see that a lot. You see it with the radio systems.

**Bill Brown:** That is kind of my point. You are in a position that you've got to do what you've got to do. I would like you to take your understanding with the people that you buy this stuff from and who manufactures it and help us understand what's up with the

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product? It's like if you had a car and put it in the garage in a wrapper and had no fluids in it, is that car worthless in ten years? I don't think so.

**Don Patnoudé:** That is something I can find out. We are meeting with the manufacturers right now.

**Tom Harris:** In the world of safety, I suspect that the Federal and State requirements are pretty stringent in order to make sure organizations don't have a faulty product. I am sure between lobbyists and safety folks, they make sure that they have to be purchased every once in a while.

**Bill Brown:** That is all that I am asking is why.

**Roy Buskirk:** It is just like your car. If you set the car in there for ten years, all of the rubber products are going to dry rot.

**Bill Brown:** If you would let me know. I am just curious. The other piece I have here is your health insurance is \$86,000. I think you said it went up \$46,000 in one year?

**Ellis McFadden:** \$44,000.

**Bill Brown:** So your health insurance went up 100%.

**Don Patnoudé:** Part of that though is as entities are shedding the spousal coverage and so forth, we are picking that up. We had a lot of people jump on to that. I think there are only two people that did not. That is part of that big increase along with the standard increase.

**Bill Brown:** The standard increases of 10% or 15%, you hear stories of 50% and 100% but typically it is not that dramatic. So a lot of that is you are picking up folks. Okay, very good, thank you.

**Tom Harris:** Councilman Armstrong.

**Bob Armstrong:** Can you give us a report on how the live-in thing is working?

**Don Patnoudé:** It started off slow but is picking up steam now. We have five and so we have three rooms available. The biggest issue we have is getting the word out. I kind of understand, we put something in the paper but we are actually trying to go State-wide with it because there are a lot of people, in fact we just picked up a gentleman from Delaware County who works up this way. Trying to get the word out, the issue is that it is tough to have a Fire Chief go back to his department and say that if you guys are interested, go to the Southwest Fire District. They don't want to lose their people either. Essentially we are trying to draft these people from someone else.

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**Bill Brown:** One quick follow-up. I want to be clear that I am not asking for your people to use product that is deemed obsolete. Just for the record. I just wanted to understand the science, for lack of a better term.

**Don Patnoudé:** I understand that and will get that info for you.

**Tom Harris:** Council, are there any further questions? Thank you very much.

**Nick Jordan:** Next up is the Airport Authority. Their material starts on page 19. I would like to note in your packet that the answers to the questions are not there but I will give them to you right now. The question number one about greater than 2.6% levy increase, the answer is no. Rainy Day Fund balance is \$5,467,522. They anticipate using it for economic development opportunities at the airport. Then raises for 2016, the answer is no.

**Scott Hinderman:** Scott Hinderman, I am the Executive Director of the Airports.

**Robin Strasser:** Robin Strasser and I am the Director of Administration and Finance.

**Scott Hinderman:** Thank you for having us. We will go through some things but before we get into the numbers, I want to give a brief of what we did this last year. With your help we have gained some additional flights. At the end of 2014, we were 8.5% up on the number of passengers using our airfield. So far this year we are up 14.33%. We have had some great growth. Much of that is because we got some additional flights, direct flights to Philadelphia and Charlotte. As the airlines are coming out of the big recession, they are coming out and trying to grow. What is keeping me up at night and I have no control on is pilots. There is a severe pilot shortage in our Country. There is a point where some of the airlines are already taking markets out of the system because they simply have no labor. They can hire them but it takes up to three years to get a pilot qualified to where they can fly commercial carriers. Even if the salaries for commercial pilots went through the roof, there is a significant gap. Again, that is more information than you probably need and is nothing that is in our control. I would enjoy some good night's sleep and that is the one thing that keeps me up at night.

**Bill Brown:** I am glad you brought that up. You mentioned it to me not too long ago and I think that is a fiscal impact, this whole concept of talent. Not having the talent, therefore you can't fly the planes and it fiscally impacts you dramatically. We may lose routes.

**Scott Hinderman:** It is a significant issue and a regional impact but it is a nation problem.

**Roy Buskirk:** Are they in training for three years as co-pilots?

**Scott Hinderman:** No. In order to fly a commercial carrier, you have to have 1,500 hours of flight time whether you are a co-pilot or a principle pilot. That is a legislative change that Congress did maybe four years ago but it took effect last January. It used to be where

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you could have 500 hours and you could go into an airline and fly and now it is 1,500 hours. Even those that are coming out of a college flight program with 500 hours and they have great skill sets, now this is me and my own personal opinion, they come out and have been flying good aircraft and have excellent skill sets to fly aircraft, they have 500 hours and have to go to 1,500. They are going down to Myrtle Beach pulling a banner for 1,000 hours while their skills continue to deteriorate in the larger air frame just to try to build hours.

**Roy Buskirk:** That was going to be my next question, how do they get the additional 1,000 hours? They fly around with a banner. That's good.

**Scott Hinderman:** I am on my soapbox and I need to get off it so I can talk about the budget. I have enough talking points to be here until 1:00.

**Tom Harris:** Yes but this is the airlines' problem but it impacts us.

**Scott Hinderman:** That is correct. It is not impacting Fort Wayne International alone. It is a national challenge.

**Tom Harris:** Okay, continue on.

**Scott Hinderman:** The other thing we did, and if you have been out there this spring, we opened up the new rental car facility. Part of the redevelopment of the rental car area, we were able to make our terminal more welcoming. From the parking lot coming in, we have some green space and it is more open and more appealing. We are focused on customer service to our patrons. We have included Jet Bridge 4, Gate 4. That used to be ground boarding but we now have passengers who can be in and out from the aircraft to the building without going into the elements. We are doing that because we have been growing consecutively for five years. Even during the recession, we were growing. Here in another 45 to 60 days, we will be completing our new terminal building for the general aviation/corporate aviation. It is going to open January first as Fort Wayne Aero Center. It is just north of a 12,000 square foot facility. Again, the primary focus is to improve our front door. If you are flying to Fort Wayne or our region, we are the welcoming mat to our community or our region. This facility is going to be a much better presence and a presence that I feel Fort Wayne deserves. We are a big town and we should have something that is better than what we maybe have today. We put our budget together and I will start talking to some things as that is why we are here. We put our budget together with a pretty conservative thought process. If numbers and our growth continue we will beat our budgeted expectations. That is how we perform at the Airport and we want to be on the conservative side and then work hard to beat the numbers. For next year, and if you saw the news recently, we will be coming in the near future for a potential appropriation. We received a significant grant from the FAA to do a large work effort on our secondary runway. The grant is \$12.8 million and the project will be \$14.3 million. We are hoping to award that yet this month. The project won't start until the first thaw. We are not going to try to do something now or even start because winter is very close.

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There is no way that we have the time to get that done but we will hit the ground running with that project early April of next year.

**Tom Harris:** Scott, just a quick question on that. The fact that you received that grant is that an indication of the significance of this location or is it a competitive thing that you beat out someone else?

**Scott Hinderman:** It is a competitive thing with the other airports.

**Tom Harris:** Okay and so you have to compete for those dollars from the Feds in order to help do some of those kinds of renovations.

**Scott Hinderman:** Federal Airport Improvement Program is an entitlement program and we typically get around \$2.3 million a year. It can only be used for infrastructure increasing competition and safety related projects. We have been working for a year and a half, we have this large project and it costs a lot of money to play Airport. We knew that the project was eligible for Federal funding and so we have been working hard with the FAA and our Congressional delegation to secure discretionary funds. Discretionary funds are managed by the FAA and they have the responsibility to assign those dollars to the highest need airport and the best project that they could find in the region. Out of the \$12.8 million, \$2.5 million is what I call our entitlement money. The remainder is discretionary and we had to compete for those discretionary funds. Kudos to staff because they have been working hard and it is a year and a half process.

**Tom Harris:** Congratulations to everyone there.

**Scott Hinderman:** On top of that in our budget for capital next year, that \$12.8 million or \$14 million project is not covering the entire runway. We will need \$5 million to finish that runway. We are throwing applications and justifications with the FAA as we speak. We hope to receive that early spring so that we can just bid that. The contractor that is already on that job might have the advantage because he is already mobilized. We would like to keep that rolling forward to where we can continue the project and get it all done. The other thing we are doing, at Smith Field, a significant capital project. Smith Field has always, at least for the last eight years, had a T-Hangar and in order to grow an airport and make an airport quality, you have to have aircraft storage. We built a T-Hangar in 2011 and I think it opened early winter of 2012. We still have that and are looking for tenants to sign commitments. It would be a 12-unit hangar facility. If we get those commitments signed we would turn dirt next year. That would be right around \$750,000. That is our capital. There are a lot of other items in there and I could go into greater detail but if you want to talk a little more about the revenue side.

**Robin Strasser:** Sure. Our property tax levy is projected at the 2.6% Average Growth Quotient. We don't anticipate that being any higher. Our advertised rates are a little bit higher than what we anticipate them actually being but that is just a function of whatever the assessed valuation ends up being. Our budgeted revenues are higher and that is due to the fact that we have included the FBO that will be operating as of January first. That

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increased revenues which includes approximately \$4.8 million for sales related to the FBO. It also includes salaries and wages. There is a large increase in materials and supplies and that is due to purchasing fuel that will be sold to pilots and the airlines.

**Tom Harris:** Do these numbers include Smith Field?

**Robin Strasser:** Yes, they do. We put the budget together based on conservative thought processes and we feel that the budget does meet the ongoing operational and financial needs of the Airport Authority. It allows us to maintain clean, safe and reliable facilities and helps us meet our regulatory obligations and provide good service to the people of the region.

**Scott Hinderman:** I will say that if anybody has any questions or concerns of the airport, you can always call me or Robin. It is your airport and Robin and I get to work there. It is a regional asset and we love to hear feedback and try to answer as quickly as possible. Other than that it relates to why we are here today and if you have any questions, we would be happy to answer them.

**Tom Harris:** I would like to mention that I do appreciate the rental car improvement. Councilman Brown.

**Larry Brown:** Scott, we generally think about Fort Wayne International as the Airport Authority but obviously it includes Smith Field. Are there any updates or things going on that you want to share with us?

**Scott Hinderman:** Smith Field is thriving. This year will be the second year in a row where we break our fuel sales record. Fuel sales, we are making a leap as it is not a controlled tower airport. No one is out there counting the operations of how many aircraft are landing. You use the measurement of fuel sales and we are setting a record this year. I say that because we already have. Even if we don't sell another gallon between now and the end of the year, we have already set a record. It is doing very well. Several years ago, we used to operate the FBO out of the small and older facility. When Ivy Tech expanded their program and built their own building, we moved into the building that the airport built for Ivy Tech. The FBO is a first class operation. I will even brag a little bit, to that size airport, it is second to none in Indiana. It is a very nice facility. If you look at some of the older facilities, we have some older buildings up there that are probably past their useful life hence the purpose of why we are throwing another twelve units of a hangar complex at Smith Field. We are also going to do it responsibly. If we can't get lease commitments signed, we won't build. Right now, all of the hangars are at capacity and we can't take another aircraft. We have 29 people who are on a waiting list to go to Smith Field.

**Larry Brown:** Most of the use is private and small commercial, perhaps?

**Scott Hinderman:** I think that is fair. It is smaller general aviation because of our runway lengths. The lengths are 3,100 feet and 2,900 feet and so you are not going to get

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too many large airframes in there. Or if you do, you are not going to get them out. The airfield growth capability is restricted to a certain size airframe but that is okay. If some of those aircraft are being flown for business, it is not just personal pleasure but it can be a combination.

**Larry Brown:** My point is they are constituents.

**Scott Hinderman:** That is correct.

**Tom Harris:** Are there any further thoughts on the expansion of more hangars?

**Scott Hinderman:** Again, we have \$750,000 in the budget that we are presenting and we will be talking to the people that are on the waiting list and some of the tenants that are in the older hangars at Smith Field to see if they would want to upgrade. A nice hangar is going to cost a little bit more for rent. We are putting that in the budget but we would not build unless we have those committed before construction would start.

**Tom Harris:** Okay, Councilman Brown.

**Bill Brown:** I used to fly a lot with my brother when he had his plane and the fuel prices were dramatically different in the locations. I know we had an issue here with fuel costs and I would assume that fuel costs are competitive.

**Scott Hinderman:** That might be some of the reason why we are growing. The cost of fuel at Smith Field is a very competitive environment. Our methodology is a competitive price environment and I think it is doing well and is why it continues to grow.

**Tom Harris:** Council, are there any other questions at this time? Scott, is there anything further?

**Scott Hinderman:** I will just throw it out there again that if you ever want to have a tour of the airport or if you have more questions about your airport, please give us a call. We will answer questions and I'll buy you coffee.

**Tom Harris:** It seems that we have another question.

**Roy Buskirk:** I just told Tom that I had 18 more questions and so he is trying to bypass me. Scott, I am curious as far as the Kitty Hawk situation and the lease agreements that we have out there. Course the thing of it is, if that isn't generating enough, the Allen County taxpayers are on the end of the hook for that bond. With one of the tenants that we have there is talking about building a new warehouse closer to GM. What kinds of leases do we have there? Are they month-to-month or six months or a year?

**Scott Hinderman:** They are actually very challenging in reality. Mostly that is because we are an airport and are very heavily regulated by the Federal government. We deal with the FAA daily. One of the challenges is because Kitty Hawk is on the AOA, Airport

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Operating Area. Our leases have to be aeronautical use. That warehouse that you are talking about is not aeronautical use and so we got a provision approved by the FAA to sign short-term leases. We do have a least that if you look at it is a three-year term, one year increments. We have to have in there the ability to where someone is going to land and use it for aeronautical use and so we have a right to remove the existing incumbent. We are also trying to take UPS and move them from the west ramp and move them into the Air Trade Center. We did that with Fed Ex several years ago and it is working out great. UPS wants to go there but it is just some of the logistics. Think of the challenge. Kitty Hawk was one operator and they had a lot of square feet. We have to figure out how to take a building and turn it into a multi-tenant environment. There is some investment that we have to do there. The non-aeronautical use that is there today is not there, by lease, long term. It does help offset some of the investment that we have to make so that space is more suitable for multi-tenant.

**Roy Buskirk:** It is kind of a Catch 22 for us because of the fact that it is nice to have a new warehouse and everything being built in the community. In one way, I am sure they are going to ask for tax phase-in and everything else on their property taxes and we are kind of cutting our own throat because we are losing a tenant from a building that if we don't get enough revenue generated, the taxpayers are going to have to pick up the bond payment. It is kind of an interesting scenario.

**Scott Hinderman:** Please don't take this as overconfident, northeast Indiana's regions' economy is pretty strong right now. If you are trying to hire people, it is really hard. I think if that facility would come vacant, I do believe we would be able to find not the same kind of tenant but maybe something similar and maybe it would be multiple tenants because the tenant that is in there has a very large percent of the building. I do believe that if you have that kind of space under roof today, you can lease it. They are a great tenant. We would hate to see them go but if their business plan calls for a better location to help with their logistics and for them to be more profitable, I understand. They are working in a competitive environment as well.

**Roy Buskirk:** I have one more comment and then I am done. This is my seventeenth. Scott, please watch the thistles on the Coverdale Road. You left them go this year way too long. As I've told you before, there is a County Ordinance that you can be fined for not having the thistles cut.

**Tom Harris:** Okay, Bill.

**Bill Brown:** One more quick comment. The airport in the 1980's, for you folks that remember, was a mess. The appearance, the poles and wiring, it was an embarrassment but to have it turned into the point of pride that it is, works well and looks fantastic those are the types of things that over time can really see the investment and right processes and style pays big benefits. We talk about our region being in better shape and more attractive to people that move here. It has been a great expenditure of cash. To do what has been done rather than take it as it was and I am glad those decisions were made. Keep up the good work.

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**Scott Hinderman:** Councilman Brown, thank you. It's always a pleasure to receive compliments. Staff works very hard and we have great leadership on our Board. We all have the right thing in mind with the end goal being how we turn both the FWA and Smith Field into regional assets that can help economic development for our region.

**Bill Brown:** And to be clear, I think you are doing a good job but I don't know you that well. The thirty years, the community has put the resources in play to create these outcomes as we have done in so many different areas.

**Tom Harris:** It is impressive and thank you Councilman Brown. As northeast Indiana continues to grow, so goes your area as well. I'd like you to keep us in mind if you do an open house or a ribbon cutting for the January first timeframe. Council, are there any further questions? Thank you very much for being here today.

**Scott Hinderman:** Thank you.

**Tom Harris:** Council, at this point we have several different areas that have been with us throughout the morning. It might be good to go ahead and have those come before us. I think they have appeals. We can do a couple of things and have them come before us and allow them to leave and we would make the decisions afterwards. We have also had the Highway Department here this morning to be able to update us on some thoughts for their budget for next year. If the pleasure of Council is to continue, we can have the Highway Department up first and then move to the appeals. Is that an agreement? Can the Highway Department come forward and talk about the plans for 2016?

**Nick Jordan:** For the budget hearing there is a different notebook. The Highway Department is not the budget notebook.

**Kim Yagodinski:** Kim Yagodinski, Finance and Personnel Manager.

**Bill Hartman:** Bill Hartman, Director of Allen County Highway Department. We are doing pretty well. We are tasked with right around 1,200 miles of roads, 398 bridges of 20' span and over and probably about 1,000 other drainage structures. This year we are resurfacing fourteen miles of road. We have about twelve bridge projects underway. We have eight miles of road conversion and 66 miles of chip and seal that they are actively doing right now. We had 22 miles of reclamation and we generally try to only do about six miles. Reclamation is where you take an existing road, grind it up, add new stone and then chip and seal over the top of it.

**Tom Harris:** And you are able to keep that road for a longer period.

**Bill Hartman:** Right. It is a reconditioning when it gets to the point that you can't just seal over it.

**Tom Harris:** And you said six miles?

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**Bill Hartman:** Generally we try to do about six miles but this year we have done 22 miles. Last winter was just brutal. We didn't have a lot of snow but we had a long cold spell. A lot of moisture in the ground froze and thawed and broke things up. We were able to roll with the punches and work with it. We handed out a couple of sheets here. Earlier Councilman Buskirk talked about highway funding and we handed out a small pamphlet that explains where most of our funding comes from both locally and federally. Every time you pump a gallon of gas 18.4 cents goes to Washington, DC; 18 cents goes to the State of Indiana; on average the average driver pays a little over \$200 a year in gas taxes to help maintain our roads. This hasn't been raised since 1993 on the Federal level and 2003 on the local and State level. It gives you purchasing power and the Federal has decreased about 38% and local has decreased about 22% in purchasing power since it has been instituted. It gets harder every year and the 2013 report card on America's infrastructure from the American Society of Civil Engineers indicated that an additional \$79 billion annually should be put into roads and \$7.7 billion into bridges. Of course this is nationwide. This gives you a real quick picture overall.

**Tom Harris:** That is a great document. As that gas price, which we all are very pleased is going down, you are actually getting a lesser percent to the State or is it the same amount?

**Bill Hartman:** It will be the same amount because this is per gallon. The statement on there for sales tax, and that is down because it is based on \$3.50 a gallon, so that amount...

**Tom Harris:** From the Highway perspective, you are fine if that price keeps dropping.

**Bill Hartman:** Yes because we are priced per gallon.

**Roy Buskirk:** And actually on the sales tax, which is very difficult to calculate, you have to deduct the Federal and State gas tax from what you see on the pump and then calculate it times your sales tax.

**Tom Harris:** I jumped in, I apologize.

**Bill Hartman:** No, we are okay. The other handout I have outlines the progress of our larger project, the Federal aid projects. Dan Avery was here earlier and is very key in the MPO for the majority of these projects. We do have to thank the local INDOT District Office in Fort Wayne. They have helped us with funding for projects outside the MPO such as Coverdale Road and the Bostick Bridge. Ryan and Bruick Roads were outside of the MPO. In here also is a roundabout proposed for Tillman Road at Minnich and that is some safety money that we were able to get from the State of Indiana. Even within the Federal aspect, we have drawn from three different sources.

**Tom Harris:** Just a point on that from a constituent standpoint, I hear common concerns about those roundabouts. People don't like them, necessarily. You and I have had an

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opportunity to talk about that and I was just intrigued to understand that some of the Federal money that pays for these projects require roundabouts and the Fed's like the roundabouts because why?

**Bill Hartman:** Because you can't have a head-on collision or a T-bone collision, you can only have a glancing collision. Even when you do have a mishap, it is less serious. There is a very low capability of having a fatality.

**Tom Harris:** I look at the Auburn Road piece with...

**Nick Jordan:** Wallen.

**Tom Harris:** Wallen Road, thank you and I think of the volume that is about to go through there. Is that roundabout able to handle it? Obviously the engineers look at that and say it will work.

**Bill Hartman:** Yes, sir.

**Tom Harris:** I can't comprehend the number of people.

**Bill Hartman:** And we worked very closely with the school for that design and they were in agreement.

**Tom Harris:** There is going to be a lot of people with the growth going on there. It's incredible.

**Bill Brown:** A quick note about that. People talk about the fact that they don't like the roundabouts but Angola has had one and Indianapolis has had one in the center of their cities since almost the beginning. A quick side note and I am getting you off track here, if you happen to see Myth Busters, they did the roundabout thing. They did a four-way stop, a roundabout and then a traffic-controlled with a Police Officer. In that scenario, they proved roundabouts were safer and more efficient and fuel efficiency too.

**Tom Harris:** From my standpoint, for the constituents and the public to understand, a lot of those are being required from Federal money that we receive. It is not local decisions being made.

**Bill Hartman:** Their goal is to put 200 roundabouts nationwide annually.

**Tom Harris:** With that we threw you off.

**Bill Hartman:** That's fine. Fortunately, as part of our budget each year, the Commissioners give us \$2.5 million of CEDIT money which we primarily apply towards these federally aided jobs. To leverage each \$2.5 million, it generally will leverage about \$18 million in Federal aid. You can see here actively we are involved in \$85 million worth of projects right now. Of course that stretches out to 2020. That does not include

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Lafayette Center, which is not Federal aid, and 900 North with Huntington County. That is a \$30 million project. We are going to four-lane that stretch between Roanoke and the GM Plant. I want to make it clear that Huntington County is the lead on that and most of the construction is on their side. The most significant thing is the bridge over the railroad that will really help that whole situation.

**Tom Harris:** Say again, how long is that project?

**Bill Hartman:** It is right at four miles, I believe.

**Tom Harris:** I'm sorry, length of time.

**Bill Hartman:** We have nearly all of the right-of-way secured and we are due to bid that in December of this year and construction will take place in 2016 and 2017.

**Tom Harris:** The completion of that?

**Bill Hartman:** Well, it may be the spring of 2018 before everything is absolutely done. It should be opened to traffic in 2017.

**Roy Buskirk:** What percentage is the County's responsibility on payment?

**Bill Hartman:** Zero. It is State funding of \$30 million. We are very fortunate.

**Tom Harris:** With that we will open it up for questions. This document is very helpful. It clearly points out all of the different pieces in terms of infrastructure that you are dealing with throughout the County. Councilman Buskirk.

**Roy Buskirk:** Several years ago we came up with the scoring of different roads based upon traffic counts, individuals and for conversions. I personally would appreciate if you could provide that to Council members so they can see.

**Bill Hartman:** The budget that was emailed to you has that included in there.

**Roy Buskirk:** The points?

**Bill Hartman:** I didn't hand out hard copies today but that is included.

**Nick Jordan:** Back in August.

**Bill Hartman:** Page 16. It is there.

**Roy Buskirk:** My apologies.

**Nick Jordan:** I think it was August 21<sup>st</sup>.

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**Bill Hartman:** Yes, it has been a while since we sent it out.

**Tom Harris:** Council, are there any other questions? Councilman Brown.

**Larry Brown:** Help me understand some of your abbreviations. Under Federal Funding, PE stands for?

**Kim Yagodinski:** Preliminary Engineering.

**Larry Brown:** RW?

**Kim Yagodinski:** Right-of-Way.

**Larry Brown:** CN?

**Kim Yagodinski:** Construction, inspection and construction. CE would be construction inspection and CN is the actual construction.

**Larry Brown:** Okay.

**Tom Harris:** Other questions?

**Larry Brown:** No.

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

**Bill Brown:** Quick comment. This goes to something that I spoke about earlier. Your understanding of gas tax is pretty timely. Realizing that we are limited by what we get from the Feds and what the State charges and the way they distribute the money back, it seems like it would be appropriate at some point down the road to have a conversation with our legislators. Maybe it needs to be part of our Legislative Agenda. This is industrial strength of kicking the can down the road. The Feds and the State are just not stepping up and taking the leadership to get the money in a queue. Who wants to have de-infrastructure? I realize that is not your job and this is the budget but I think it is the appropriate time from a forward thinking standpoint to at least talk about, in general from a public standpoint, gas is half what it was not that many years ago. They predict having a lot of gas available, natural gas converted into diesel fuel and regular gasoline. The efficiency of cars is going up and the only way we are going to maintain the infrastructure is to have the money. This is my comment more to Council than anything. I think it would be important to talk about this at some point and get it on our Legislative Agenda. Again, that is so we can take some leadership to try to fix these problems.

**Tom Harris:** One of those ways is to sell another toll road, I think. Are there any other questions? If not, Bill and Kim, thank you very much.

**Bill Hartman:** Thank you.

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**Bob Armstrong:** Could you put tolls on roundabouts?

**Tom Harris:** We now have CCP, Cooperative Extension, IT, Soil and Water and Youth Services and they are here in the room. It is now 12:17. We can give these folks that have been with us a little bit of time to brief us in terms of any further discussions that they have had. At that time we can break if we so choose for lunch or we can stay with it. It would probably be best to go ahead and talk with them so that they can move on throughout the day. If the Auditor's staff can hang in there a little further, we would greatly appreciate it. The first one up, Nick if we are doing this right, is the CCP.

**Nick Jordan:** Yes. In your budget notebook, page four, starts more detail on the CCP, pages four, five and six.

**Bill Bassett:** William Bassett, Director of the Consolidated Communications Partnership.

**Tom Harris:** Welcome and just refresh us a little bit. You had placed a budget together that came in above what we were anticipating. As part of the appeals process, you are back in front of us today with a revised amount?

**Bill Bassett:** I have two options for you, actually. With the help of Nick and the City Controller, there are two options in front of you. Our budget this year is lower than last year a couple of thousand dollars. It's not a lot but we are being very fiscally responsible in what we are doing and how we are doing it. The question is whether we utilize old 911 fees or not. If we do utilize the old 911 fees to pay for the Motorola maintenance contract, then ultimately from the budget allocation we would be giving some back. If you do not use the old 911 fees, we would be asking for \$234,082.

**Bill Brown:** Let's talk about using the old 911 fees.

**Roy Buskirk:** I don't understand what you mean that you would be giving some back.

**Bill Bassett:** There has been an allocation of \$986,951 and if you use the old 911 fees, some of that money would be given back to you.

**Nick Jordan:** They wouldn't need the full \$986,951 allocation. It is approximately \$64,000 that wouldn't be used.

**Roy Buskirk:** I thought when we had talked about this before the old 911 fees would be used to make up the difference, the shortfall.

**Bill Bassett:** It would be used to offset the \$500,000 and some for the Motorola maintenance contract.

**Nick Jordan:** There are a couple of things that changed from the initial one. One other aspect is that they are budgeting the \$500,000 of their own fund balance. On page four of

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the notebook, this is if you decided to fund the difference or the other option is if you don't fund the difference. Both of them start with the total budget; both start with the beginning cash balance that is in the CCP fund. It then goes into the estimated revenue and is the exact same on each side and includes 911 money and IPFW contribution. Then you have estimated combined City and County contribution if old 911 fees are used or if they are not used. If they are not used, the City and the County have to contribute more. You can see that almost \$7 million figure and the \$4.1 million figure. The one item that is not split on call volume is the Motorola service agreement. That is a 50/50 split of almost \$600,000. That is where in using the old 911 fees scenario, the proposal is to use that fund. If you continue going down those scenarios and take the remaining \$4.1 million and break it down based on call volume, you can see how much the County would have to contribute and the City would have to contribute their piece compared to what the current budget allocation is. If you wouldn't use old 911 monies, we would need to allocate \$234,082 more. If you do use old 911 monies, we're potentially going to have \$64,000 left over in the COIT Public Safety Fund.

**Tom Harris:** If we use the old 911 fees, we are saving the City of Fort Wayne some money. Approximately how much do we save the City of Fort Wayne?

**Nick Jordan:** If you are using it to cover the 50/50 radio, \$298,000 because it is a 50/50 split.

**Tom Harris:** So there is a benefit not only from a County perspective but also for the City of Fort Wayne who would be saving money as well.

**Nick Jordan:** It is keeping in mind that we are just pushing this down the road. There is a 90/10 additional revenue distribution that is split on 90% population?

**Bill Bassett:** Yes.

**Nick Jordan:** And then 10%...

**Tera Klutz:** Ten percent on population and 90% of what you have for a three-year average when it first got transferred to the State.

**Nick Jordan:** That is additional money that we could receive each year. In 2013 it was \$200,000, in 2014 it was \$90,000 and we haven't seen any dollars for this year. You also have the fact that the \$500,000 beginning cash balance that can fluctuate. If it would grow or even go down, they may need additional as well as the budget may not be fully spent and would roll to their cash balance. The 911 fees have the potential to change but the new estimate has not greatly changed.

**Tom Harris:** Say that last part again.

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**Nick Jordan:** From what I understand, the Statewide 911 Board told the Directors not to expect a windfall from the new legislation and budget the hold harmless amount for getting the exact same that we are getting currently.

**Tom Harris:** Councilman Tucker.

**Sharon Tucker:** Is there a reason why we couldn't take the \$64,000 off and leave that in the 911 fees? Do we have to use the entire fund there if it is going to give us money back to make a zero balance?

**Nick Jordan:** What would happen is the \$986,951 that we have budgeted, if we used the 911 fees we would just end up paying the CCP \$922,000. That would actually be spent out of the COIT Public Safety funding, not through old 911 fees. You can do vice versa and do less 911 fees and do the full \$986,951.

**Tom Harris:** It would be reimbursed...

**Nick Jordan:**...not reimbursed, you are just not spending all of the old 911 fees.

**Tera Klutz:** I think the question that Council is asking is what if you don't take the full Motorola payment from the old 911 fees? What if you subtract the \$64,000 from it and take the difference? I think that is the question they are asking you. Would that complicate matters? Is that possible so that they would still be getting the \$986,951 but taking \$64,000 less out of the old 911 fees?

**Sharon Tucker:** So the 911 fees would still have a balance of \$64,000 instead of zero.

**Nick Jordan:** No. Those are two different things. If you decided not to fund the \$596,723 from old 911 fees, that is a 50/50 split but the call volume splits the remaining \$4.1 million portion. It is two different funds. Two different pockets of money and what this would essentially do is, back to the overall budget, if you use the old 911 monies, it potentially frees up \$64,000 to be spent on someone else's appeal or just sits there and you don't have to spend it. Using the old 911 fees just saves, in essence, the COIT Public Safety Fund or the General Fund from paying the full \$986,951. It is important to note the current 911 balance is around \$2.3 million. You could use the \$600,000 for possibly two-and-a-half years before coming to the realization that it's gone and it now has to be built into the operational budget.

**Tom Harris:** During that time, the new fees are coming in?

**Nick Jordan:** The 911 fees are exactly the same as they were before which is around \$2.4 million.

**Tom Harris:** If we are using old 911 fees, the new fees...

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**Nick Jordan:** Those go straight to the CCP. That is budgeted up in the \$2.480 million. Those go straight to the CCP and are already factored in.

**Tera Klutz:** It would give us time to see what the increase in the 911 cost to users will bring in. If it is going to bring in anything substantial, to your point, I know what you were...

**Tom Harris:** That is kind of what I was thinking. Councilman Tucker, is there anything else?

**Sharon Tucker:** No, thank you.

**Tom Harris:** Councilman Brown.

**Larry Brown:** First of all I have no objection to using the old 911 monies. What I haven't heard is any long range financial plan for CCP to come to the realization in two years and the money is gone, how are you going to maintain your budget?

**Bill Bassett:** That is the question at hand as well. At this point, I don't know yet. I am not sure if regionalization will be a part of that. We are working a little bit regionally on training with the State and possibly the State funding some of this training that we have in our budget and can eventually get rid of. That won't cover the nearly \$600,000. There are things in the works but is nothing that is going to happen overnight.

**Tom Harris:** What does that mean, in the works?

**Bill Bassett:** This training aspect, we are trying to work on it regionally. We tried about two years ago to do this through the State and we got shot down. We are going to try to push that forward again. The surrounding 11 Counties and us are trying to push that forward. That is one thing we are trying to push so that we can get the training budget reduced for us and put it onto the State.

**Tom Harris:** Nick, you indicated that we have about two more years?

**Nick Jordan:** The service agreement still runs about \$600,000. It increases a little bit but still right around \$600,000 for the next two years.

**Tom Harris:** Councilman Brown is there anything further?

**Larry Brown:** No.

**Tom Harris:** Councilman Brown.

**Bill Brown:** I would like to ask why we wouldn't use the 911 fees. You said you didn't have a problem with it.

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**Tom Harris:** That would be a great question to ask. Is there any negative to this?

**Nick Jordan:** No, Roy asked that a couple of meetings back. To my knowledge, there is no plan out there for these at this point in time. It could be unexpected items that come through but there are other funds that could address those if it happened. You can do this just knowing that there have to be talks now whether it is anticipation of future revenue or legislation changes to address these two years from now.

**Bill Brown:** To sum up, I think it is wise to use the funds. We are always hoping for a better economy and we understand our economy is improving in northeast Indiana. The goal is to have a better economy and more revenue. It sure seems like it makes sense to use the 911 fees.

**Tom Harris:** It helps the City of Fort Wayne's budget as well. Councilman Brown.

**Larry Brown:** The Commissioners do sit on the Board and I asked the Board of Commissioners for assurance that the CCP Board had done their due diligence reaching out to the entire Public Safety community, not just Fort Wayne and Allen County but also New Haven, Monroeville, Huntertown and whoever else for their needs because if there are needs to get them in compliance for the E25, forgive me if I don't have that number right. Not all first responder agencies are in compliance with E25 yet. So, if there are needs out there, I wanted to be assured that it is being considered, thought through and talked about and not just head in the sand kind of approach. I have yet to get an answer. I have two concerns. One is the total Allen County first responder community, are their needs being met? Number two is what is the long range financial plan to become self-sustaining and not rely on \$600,000 a year that is going to run out in a couple of years?

**Bill Brown:** I agree with that.

**Tom Harris:** That would be the challenge for 2016. Councilman Buskirk.

**Roy Buskirk:** Maybe I misunderstood it but the percentage of this old 911 fee is 50% City and 50% County? That is how the revenue that is in there was generated?

**Nick Jordan:** No, what we are talking about is the 50/50 split is the Motorola service agreement. That is where that is coming from. The old 911 money is essentially money that was in multiple funds prior to 7/1/2012 when the new Allen County Statewide 911 fund was set up based on new legislation.

**Tera Klutz:** The revenue came from all of the rate payers in Allen County.

**Roy Buskirk:** Okay. There wasn't a percentage of City or County or nothing of that type. I agree with what Larry said. We have volunteer Fire Departments throughout this County that I know are struggling to be able to upgrade their radios and everything. I could see this being saved some, Bill, for capital expenditures.

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**Bill Brown:** To Larry's point, I agree.

**Roy Buskirk:** That is the reason I was saying that the old 911 fees would just be for the shortfall and not for the entire Motorola contract. What is it you are short is like \$64,000?

**Nick Jordan:** The tricky part of it is that the shortfall on the County's side is \$234,082. That is just if you use the old 911 fees to fund just the County's portion. You still have the City's portion and what their shortfall is. If you would choose to fund that through old 911 monies, the fairest way is that since the service agreement with Motorola is a 50/50 split, we would use the old 911 monies to fund that. That is compared to just addressing the County's shortfall of \$234,082. I don't know what the City's shortfall would be if we didn't use the old 911 monies. I don't know if it is the difference between \$3.476 million and \$3.178 million, about \$300,000 then they would want you to use the old 911 monies. In the end, you come to almost the same \$600,000 for using old 911 monies.

**Roy Buskirk:** What you are saying there, Nick, is the County is short \$234,082.

**Nick Jordan:** For our share.

**Roy Buskirk:** Wouldn't the City's be an equal amount?

**Nick Jordan:** No because the \$4.1 million of the budget is split based on call volume. 77.5% and 22.5%. In our budget, we have \$986,951. I assume that the City budgeted what they have in there. Somehow they are working it so that if we cover their portion of \$300,000, it should meet their need and they have sufficient funds to cover it. They have agreed that if we use the old 911 fees for the \$596,000, the budget is covered.

**Tom Harris:** I like the idea of pursuing the old fees this year. I am a bit more concerned next year because we get closer to that point of saying how much have you sharpened the pencil and what can you do to start looking at bringing down those costs? The upside to also doing the old fees would help the City of Fort Wayne and so that is a second positive. It would also put us in a further position to deal with issues that we may have throughout the rest of the year. If we don't use those old fees and they continue to set on the shelf waiting to be used at some point, is that correct?

**Nick Jordan:** Yes.

**Tom Harris:** They basically set there until we need them.

**Roy Buskirk:** Before you came on as Director, the previous Director was selling us on the prospect of revenue generating of surrounding Counties joining our 911 system here and we would provide a 911 system for those other Counties. Is that going forward at all? Or has it been completely not tabled but thrown in the wastepaper basket?

**Bill Bassett:** It hasn't been thrown away completely. We are relying on other Counties and other Counties are relying on us in case we are inundated with calls and the calls will

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go somewhere. If we don't have a call, it will rollover to Dekalb County or New Haven or something like that.

**Tom Harris:** That is not the consolidation...

**Bill Bassett:** That is not the consolidation, correct. The problem of consolidation and bringing those onboard with us at least at this moment is all of the surrounding Counties have purchased all new radio systems and phone systems. They got the phone systems at the same time we did and are locked under a contract to maintain that phone contract. In reference to the P25 system, the State of Indiana is actually going to get up to northeast Indiana probably a year from now for the new radio system. Right now, our new radio system is not compatible with the State in trying to assist maybe Dekalb County. Once they go P25, there might be an option to come into a contract or MOU or something for more of a regionalization at that point.

**Tom Harris:** Give us an understanding of that timeline. When might that be?

**Bill Bassett:** I would hate to guess.

**Tom Harris:** Two years or five years?

**Bill Bassett:** The only thing I can really say at this point is that the P25 from the State won't be up here until probably fall of next year. At that point we will probably have a better idea of what options are available.

**Tom Harris:** That still doesn't answer Councilman Buskirk's question about the strategy. Is it still our strategy to move toward consolidation?

**Bill Bassett:** I would like to, yes.

**Tom Harris:** How about the Board?

**Bill Bassett:** I believe the Board would be onboard with that as well. At this point I can't really give a timeframe. We just brought TRAA on in June of this year. That is kind of giving us an idea of what we would need to work on and look at if we were to bring in an outside agency.

**Roy Buskirk:** What is the financial impact of doing that, bringing on TRAA?

**Bill Bassett:** Right now TRAA is not paying anything to come onboard with us. They are using the same radio system and phone system. There is no cost because they are servicing the City of Fort Wayne and the County of Allen.

**Roy Buskirk:** Okay. I do appreciate, if I understood you correctly, about the fact of the training and trying to do some combined training with surrounding Counties.

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**Bill Bassett:** Correct. There are two different types of training that we are trying to do. One is for the State to pay for it so that we can get that out of our budget. The second type of training that we are doing is kind of a round robin. Each County will have a training session that other dispatchers can attend. That will be a free service provided by the different Counties. There are some savings there as well. We don't have to have a professional agency come in.

*Due to technical difficulties, IT and the Cooperative Extension and some of Soil and Water discussions were not recorded.*

*Bob Armstrong moved to approve the IT appeal of \$86,500. Larry Brown seconded. Passed 6-0-1 (Buskirk absent).*

*Bill Brown moved to approve the Cooperative Extension appeal of \$11,369. Bob Armstrong seconded. Passed 5-1 (L Brown)-1 (Buskirk absent).*

**Greg Lake:** There was so much demand for the funds that came in. These are going primarily to Ag retailers, Ag producers and rural folks in the County. There was so much demand that our Federal partners went to Washington and demonstrated the need and so on top of the \$17.5 million, they granted \$5 million additional dollars. We are really excited about the direction that this has taken but those dollars do not reflect in a chart that I would like to share with you folks. I just briefly wanted to recap with you a little bit about how our dollars work. I broke it down to where you can see in 2014 the County's contribution to the District's overall budget; these are dollars that flow directly through our books, was about 15% with 85% coming from outside sources. Bear in mind that is not talking about these dollars that came in and out through our sister agency, National Resource and Conservation Service. A 4 to, 5 or 6, to 1 dollar County investment return with this let alone the economic stimulus of about \$1.8 million return to the community just in the last 60 days. With that we are here asking for two items in our appeal. One is for the County to fully fund a position that was reclassified per County's HR recommendation in December of 2013. At that time, a position was under the OSS group was moved over to PAT. That incurred an additional cost to the tune of \$10,647. When approved in 2013, Council asked us to cover those funds out of our other budgets and we have been doing so. Additionally we are asking for Council's support for the purchase of a new photocopier. We are in sad need of a new unit. We are fortunate that we can charge off the copying services to these grants but they will not allow us to buy the equipment. There lies the challenge. Those are the two items we are here asking for.

**Tom Harris:** Initially, a question, if that happened two years ago, why did the amount not come through already?

**Greg Lake:** First of all, we came to you after the budget hearing. At that time we had several Federal grants that allowed for dollars to come in and help us staff. At that time we had six Federal grants that provided for provisions that we could help cover staff. We are now down to two of those grants. The Feds are sort of changing the way they are operating. We are still bringing in significantly higher amounts of dollars back into the

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community but unfortunately that source of funding does not provide any funding for staff.

**Tom Harris:** So, the possibility exists that the \$10,647 does not represent all salaries?

**Greg Lake:** No, just the increase.

**Tom Harris:** How much are the salaries?

**Greg Lake:** I have it right here. Prior to the increase, salaries were \$117,787. If you approve the increase it would move up to \$128,434.

**Tom Harris:** But this \$10,647 is salary amount?

**Greg Lake:** Salary, FICA and PERF.

**Tom Harris:** You mentioned a copier.

**Greg Lake:** In addition a copier would be \$8,293. That brings us to a grand total of \$18,940.

**Tom Harris:** But you have in front of us \$10,647. Are you suggesting that you want more than that?

**Greg Lake:** There were two items submitted.

**Tera Klutz:** On the capital side.

**Tom Harris:** Oh, I see. What we have in front of us is just the labor piece.

**Tera Klutz:** You have capital set aside and if he went through and explained it to you, we can be told to add it to his budget for next year.

**Tom Harris:** Yes. I think that is fine. The capital piece would be fine. What is in front of us though is the salary piece and the question that I would have is with that increase of an additional person or a salary amount, you potential still exists to go get grant funding to pay for that position, right?

**Greg Lake:** Absolutely.

**Tom Harris:** That could happen throughout the year.

**Greg Lake:** Yes. Right now, for next year, we are looking at two funding grants where we had six in the past and we do not have the latitude to fully cover and that's why we are asking.

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

**Bill Brown:** Help me understand the correlation; you were initially talking about all of the millions in the nation and the number one in the nation which is congratulations on that. How does that, help me understand, is it completely separate from what this is?

**Greg Lake:** The \$1.8 million come in and go directly out to land owners, producers and retailers here. We do not actually see those dollars in our budget.

**Bill Brown:** There is no administration feature to that?

**Greg Lake:** No, I wish there was. Part of what is so important about this is that to do this we had to reach out to the private sector. We received the original amount of \$17.5 million and we had to garner a one-to-one ratio. We had to solicit other folks to the tune of \$17.5 million to commit towards this project. Allen County's contribution is certainly a part of that but we also had some major corporations come in.

**Tom Harris:** Council, are there other thoughts or questions?

**Bill Brown:** One other question. This is the staff that I assume are writing the grants or winning these awards that took you to number one.

**Greg Lake:** Yes.

**Tom Harris:** Hearing none, Councilman Armstrong.

**Bob Armstrong:** I just have one question. I will make a motion but before I make the motion, are we talking that the motion will be the \$10,647 and that's it?

**Tom Harris:** Yes.

**Bob Armstrong:** I would like to make a motion for the Soil and Water allocation of \$10,647.

**Bill Brown:** Second.

**Tom Harris:** Any further discussion? Councilman Brown.

**Larry Brown:** Can you say that without this \$10,647, it would not have been possible to get the \$1.3 million?

**Greg Lake:** That is a very tough question. I will say that this individual was heavily involved with the writing of that. It was me and her and partners from all over the Basin. We were just charged to lead the effort. We are not going to say that we did it and no one else was involved. She was a key part of it.

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**Larry Brown:** I ask because I think we made it clear in the Personnel Committee meeting and perhaps reiterated in Council when this position was reviewed that it was grant supported. It kind of is still but it isn't.

**Greg Lake:** My understanding, if we see an opportunity next year that we're back up, there may be way that we may not need to request that full amount again. It was my understanding when it was approved that whenever we had the availability to support that we would do so. I am simply saying that coming into 2016 I understood that we could come to you to help support that position in the event we needed it.

**Tom Harris:** Councilman Tucker.

**Sharon Tucker:** I recently spent some time out at the office with them and saw all that they are working on to try to make sure that they keep things flowing smoothly. I am going to abstain from the vote because I have helped them professionally to do some things to help reduce their budget. I want to make it fair across the board.

**Tom Harris: We have a motion and a second. Are there other comments? All in favor say aye, all opposed same. The motion passes 5-0-2 (Buskirk absent and Tucker abstained).**

**Tera Klutz:** Just for clarification, do you want him to come back next year when he wants to get the copier or do you want to approve that now to transfer from your capital line for the 2016 budget?

**Tom Harris:** How have we done those, generally?

**Tera Klutz:** Is this something that you were going to get in 2016?

**Greg Lake:** If it doesn't, we are just going to keep band-aiding the old one. It literally is to the point that when we do a major push, inevitably that is when she goes down. The print quality is quite poor. It's just tired.

**Tera Klutz:** I don't know if you have met our Purchasing Director, Bob Bolenbaugh.

**Greg Lake:** Krista actually talked to him and if there is a way we can work through them that would be fine.

**Tera Klutz:** Generally our departments go through him, get the best price and come back and get an appropriation. You can even start the process now. You have through November of this year that you could get on Council's agenda.

**Greg Lake:** Great.

**Tom Harris:** Greg, thank you. We have Youth Services up next. We appreciate you waiting this long time.

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**Chris Dunn:** Good morning, Chris Dunn with Youth Services Center, I am the Executive Director. I come before you today to ask for \$124,617. A little history about the situation is prior to 2010 our budget was funded completely by Allen County Council and the General Fund. In 2008, we started billing DCS for children in our care. We started doing that when the property tax change hit. In 2010, Council asked us to start using the 737 Fund that we were collecting money in from the State. In 2013, they asked us to increase the amount that we were using out of the 737 Fund. In 2013, we were using that was decreasing it at a faster rate than what we were putting back into it. That is where you find me today requesting the amount of \$124,617. We were originally going to ask for \$250,000 however after meeting with Bob (Armstrong) and Tom (Harris), I was able to go back to the State and have our per diem increased by \$35 which is a 22% increase. We believe that the funds we will collect will offset that other half that we were originally going to ask for so that I will not need to come back to you.

**Tom Harris:** Chris, one of the things that we spoke of is that one option for Council would be not to approve this until that need arose next year. In other words, you would have enough funding in your current budget to start the year and go down a path of six months or so and as you saw that money was starting to run out, you could come back and ask for it. That could be an option. Is that correct?

**Nick Jordan:** If we are going to get \$190 reimbursement compared to the \$155, they could easily operate for six months. They are currently running a \$16,000 to \$17,000 deficit in Fund 737 per month. That allows time for more discussion amongst all parties, Youth Services, ACJC and the Commissioners to kind of evaluate. Essentially what is a net \$900,000 cost, it may go down since we are going to get a reimbursement increase if it is currently running the best that it can and as efficient as it can. They could possibly run even longer than six months with the reimbursements going up 22%. There will be some time, depending on any extraordinary expenses, so that could allow for further discussion. Like you said, revisit it next year when it comes to a closer point of funds being exhausted.

**Tom Harris:** A no vote today would simply mean that it is not being approved today but could be approved in the future. There are a lot of moving parts here. There are a lot of things going on within your facility and within the State in terms of how they are dealing with and also in respect to what the Judges want to do in housing and moving children. I know there is some discussion going on and you have pointed out what is going on amongst those parties. Understanding that bigger picture might be important as we go forward. Councilman Brown.

**Bill Brown:** I think what we are contemplating here, if we decide not to fund this today, we are talking about an assurance that these costs will be covered on into the future. It is to give you a comfort level that we just want to look at addressing it later rather than currently.

**Tom Harris:** Councilman Tucker.

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**Sharon Tucker:** The thought is, if it is not approved today we invite him back for additional reviews?

**Tom Harris:** He would be able to start his year with the existing funds that he has. Remember this is an appeal amount that is above what was already approved. He could get through part of the year. As he has pointed out, the 22% increase in fees that we charge the State and knowing that is coming in, could offset some of the shortage. It was already figured for the other half that he needed but it could offset some of this \$124,617. We can kind of watch that. Bill, I think you stated it appropriately that making sure there is an assurance that we want you to be covered next year would be fine. Does that answer that question?

**Sharon Tucker:** Yes.

**Tom Harris:** Councilman Brown.

**Larry Brown:** I guess another option is to wait until we know in January what actual rollover dollars are and if we so choose either earmark in our funds or go ahead and appropriate it.

**Tom Harris:** With that is there a motion to move on this? If not, again Chris, I just say that doesn't mean it is not being funded. It is something that we would obviously take up in the future. Is there a motion from Council? Hearing none, I think that is consensus at this point. You don't need to have this voted as a no, is that correct? We would just not act on it at this point.

**Chris Dunn:** I would like to say that the Auditor's Office has been great helping us through all of this. Thank you for that and I appreciate it. I do want to ask for their continued help.

**Nick Jordan:** When will you start getting the increased reimbursement?

**Chris Dunn:** I have not had it approved by the State. They still have not contacted us. Last year they contacted me in May to set the per diem for this year. They are well behind. When I did call them, at your urging, I was told that our cost reports were completed. We had completed our part and turned them in as we are supposed to by May first. They have already reviewed them and said that everything looked good and we had done them correctly and everything met requirements. They said they were going to wait to set the rates when all cost reports from all agencies were completed.

**Tom Harris:** If you happen to speak to them again, you can let them know that the budget is tight.

**Chris Dunn:** Yes, I did let them know that.

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**Tom Harris:** That is also now on public television. Thank you, Chris. Council, we are now at the point of time where we would go back and basically look at the County budget and open it up for further discussions. We have an option to take a recess for lunch and be able to come back afterwards and discuss this further. Or we can continue after five hours to plow through a little bit further. I open that up to the pleasure of Council. Nick, give us an understanding in terms of...

**Nick Jordan:** I don't know how much more time you would need. If we go back the very first page that summarizes where we stood, the top half shows our projected revenue. It is slightly increased from where we were back in June and July.

**Tom Harris:** Is that the \$52,365?

**Nick Jordan:** I will go through each aspect of it. Property tax only went up one-tenth of a percent and so that is just minimal. The General Fund Revenue Estimate, \$19,966,000 went up over \$300,000. That is a mix of revenues from Financial Institution Tax, Interest and different fees. The County Income Tax Revenue, COIT for both traditional distributive shares and Public Safety went up over \$300,000 also. We got the States estimate compared to our estimate which was a little bit higher. The other piece in there is you can see that for the first time we are budgeting \$1 million of rollover. We feel confident in that regard. That brings the projected revenue to \$90,956,227. The 2016 Approved General COIT Fund allocation, not including appeals, is the \$90,453,811. The revenue exceeding the allocations not including appeals \$502,416. Before any appeals are factored in, we have \$502,416 in excess of the current allocation. We have the appeals listed. CCP was chosen to use old 911 monies. Youth Services was chosen to revisit later and so in essence you have only approved County Extension, IT and Soil and Water. If I did the math correctly, that would only approve \$108,516. That would leave you with close to \$394,000 of revenue still in excess of allocation. To tie that back into the Council meeting this morning in essence of how you would pay for some of these 2016 salaries that NIRCC, the Auditor's Office and the Sheriff's Department, those would be around \$120,000. That could potentially be paid out of this \$394,000. There is a Personnel Committee meeting in December where further salaries may be addressed at that time. We are in a good position, at this point.

**Tom Harris:** We do have a few things that continue to face us out there as well. The Public Defender concern and also I am thinking of some legal issues that the County is dealing with and the outcome of some of those legal issues. It seems to me there is one other issue that came to mind and is gone now.

**Tera Klutz:** HR was looking at different grid strategies.

**Tom Harris:** Thank you. One of the concerns that came up this morning, we talked a little bit about the Personnel Committee and the process. HR is feeling that we might need to look in a broader perspective throughout jobs in all of Allen County to see how we look. And particularly to two of the grids which are PAT and LTC. Those two grids might need to be looked at. The discussions have all been about internal equity issues and

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they feel that in comparison to external, we are falling behind those. That is something that HR has asked about. I'll talk with them in the next week or so in terms of what do we do from here? That is probably something that I will take on as well with the Commissioners to understand what their interests are in moving forward. That could be a very sizeable number is we look at an entire grid. If you shifted that grid that could be sizeable and that could get you into the \$250,000 range, I suspect.

**Bill Brown:** The analysis, is that what you are talking about?

**Tom Harris:** The analysis shouldn't cost that much, I wouldn't think. The movement of people in those ranges could easily get up into those numbers. It might be wise to sit on that amount of money rather than to think that we could spend it. How would that show then, Tera? Would that show in the rollover amount or that wouldn't roll over.

**Tera Klutz:** It will basically just show that we have a budget that is that much less than the revenue that we show. It's fine with Nick and me because the revenue is an estimate. This will go completely away but there is \$1 million estimated that we used for the first time for unspent budget rollover. It is also included in the County-wide Council line for any of those pending changes that he was talking about, the Public Defender who is going through to see if they have enough Public Defenders for the number of cases that they have as well as the grid evaluations. That amount will roll to the bottom line for next year.

**Tom Harris:** So at this point, in terms of the process, what is needed? Do we move to approve the budget?

**Tera Klutz:** That will be next month.

**Jackie Scheuman:** Do you want me to move the amount for the NIRCC, Sheriff and Auditor's salaries into the departments' budgets?

**Tom Harris:** Yes. I think it would be the consensus of Council that we approved it today and we need to think about next year as well.

**Bill Brown:** And that was for those salaries that were approved.

**Tom Harris:** Councilman Armstrong.

**Bob Armstrong:** Where do we stand with the Sheriff's position with filling the accounting person?

**Tom Harris:** At this point, I have spoken with the Sheriff and he wanted to give that some consideration. Frankly I was hoping to hear from them prior to today. As of this morning, they did not know the answer to that. So probably in a day or two they will let us know if they want to pursue that position or not. That is the Sheriff's decision. We initiated that a few years ago. Bill and I kind of handed it back to the Sheriff and it is the

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Sheriff's decision to move forward on that position or not. He has not made that decision. We do not have to pass anything on the budget at this point?

**Nick Jordan:** No, that is next month.

**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 September 15, 2015.

**Joel Benz:** Second.

**Tom Harris:** All in favor please signify by saying aye. The motion passes 6-0-1 (Buskirk absent).

**Joel Benz:** Move to adjourn.

**Bill Brown:** Second.

**Tom Harris:** All in favor please signify by saying aye. Opposed like sign. The motion carries 6-0-1 (Buskirk absent). There being no further business the meeting was adjourned at 1:49.