

ALLEN COUNTY COUNCIL MEETING MINUTES
JUNE 15, 2017
8:30 AM

The Allen County Council met on Thursday, June 15, 2017 at 8:30 am in the Discussion Room at Citizens Square. The purpose of the meeting was for additional appropriations, transfer of funds in excess of the current budget, grants and any other business to come before Council.

Attending: Robert A. Armstrong, Joel M. Benz, Larry L. Brown, Justin T. Busch, Tom A. Harris, Eric M. Tippmann and Sharon L. Tucker.

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

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

Larry Brown: Good morning everyone. First on the agenda is the approval of the May 18, 2017 meeting minutes. Are there any additions or corrections?

Bob Armstrong: Move to approve the minutes from May 18, 2017.

Sharon Tucker: Second.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 6-0-1 (Benz absent). Nick, would you care to give the financial report?

Nick Jordan: Yes, I will very briefly and you will see that revenues are trending along the current timeline. We processed the June property tax collections and they are a little over 50% which is normal. People pay their fall installment in the spring. There are no significant concerns, at this time and at the end of the meeting we will go through the preliminary budget estimates. I can take any questions, if you have them now.

Larry Brown: Does anyone have any questions?

Sharon Tucker: Move for approval of the Auditor's report.

Justin Busch: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 6-0-1 (Benz absent). Before us today

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are appropriations in the General Fund in the amount of \$114,814 and in Other Funds, \$6,777,850. At this time, are there any public comments? Seeing none, we will move on. The next item on our agenda is from the Drug and Alcohol Consortium.

Jerri Lerch: Good morning, I am Jerri Lerch, Executive Director of the Allen County Drug and Alcohol Consortium. On an annual basis, we go through a funding request and process. My request to you today is to appropriate the funds that are a result of three-month process that includes a funding committee, Board approval and hopefully your approval as well. Just for information, the State statute that creates this fund allows and requires that we spend a quarter of the funding on coalition support, a quarter on treatments, a quarter on preventions and a quarter on law enforcement. We have created splits and you should have amounts and grantees in front of you and I am happy to answer questions.

Larry Brown: Council, are there any questions?

Tom Harris: In terms of some of the things that we have heard about the Opioid addictions and overdoses, do you modify the budgets at all to cover some of those or change your tactics and strategies to help in those areas?

Jerri Lerch: I will say that when we do our planning and the plan that is approved by the State, we can consider that. We consider it statistically and how much work, effort and funding that are coming in by other partners. We focus on prescription drug abuse specifically. We focus on alcohol particularly for underage drinking and binge drinking. We focus on marijuana use. Those are our three top ones. Most of the people that are doing this work, whether it is prevention or in treatment, addicts are usually multiple substance users. It is not clean and I only use one thing. A true alcoholic is pretty rare these days because people use multiple things. We fund organizations that definitely address prescription drug abuse that leads to heroin and other opiate use but not specifically just by that title.

Larry Brown: Are there any other questions?

Joel Benz: I will make a motion that we appropriate \$158,815 in the Drug Free Communities Fund 745.

Sharon Tucker: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Next on the agenda is Economic Development resolutions.

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Rachel Black: I am Rachel Black with the Department of Planning Services. The first resolution that we have, we don't currently have a representative. He may be here later and so if you would like for me to go ahead and present, I would be happy to do that. He may have been stuck in traffic.

Larry Brown: Did you anticipate someone coming?

Rachel Black: Yes. Mr. Margie was supposed to be here. I sent a reminder a couple of days ago and he said he would be here.

Larry Brown: Okay. We can skip that one and go onto the others.

Rachel Black: Okay, we can move onto the resolution regarding compliance with Statement of Benefits for 2017 pay 2018. You received a resolution and I gave Nick and amended resolution this morning. We have on Exhibit A two companies that I would like to strike off that Exhibit A because they are expired. That would be Apollo Design Technology and Inverness Pointe Property. Then add to that list Ground Effects and Silverado Property. Later on there was a resolution that they had thought they were going to be late but it was date stamped at the proper time. They were added to Exhibit A as being compliant. A brief summary of our policy, Compliance of Statement of Benefits form is to be filed each year by the companies that you approved for tax phase-in to demonstrate the levels the company had fulfilled, their employment investment goals as they had submitted on their application and the SB-1 form to this Council. I review the forms each year for compliance and then come before you for approval. Compliance is defined as creating or retaining at least 75% of the total number of full-time and/or part-time jobs submitted on the SB-1, creating or retaining at least 75% of those total salaries also submitted on the SB-1. If the applicant does not meet either of those criteria then we move to the second criterion which is the investment side of it and seeing if the company meets the 75%. For the 2017 pay 2018, Exhibit A the amended resolution, all of those companies were in compliance based on the policy. There were 26 companies that were compliant and there are five that we are going to discuss today that were non-compliant. I don't know how you want to handle moving through these resolutions.

Larry Brown: Council, are there any ideas? I think we should handle them one at a time. The resolution regarding compliance by those listed today, resolution 2017-06-15-02. Do I hear a motion?

Tom Harris: So moved.

Larry Brown: To approve.

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Tom Harris: To approve.

Joel Benz: I'll second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.

Rachel Black: The next two resolutions 2017-06-15-03 determining substantial non-compliance with Statement of Benefits for Orthopedics Northeast P.C./Northeast Orthopedic Clinic Partnership was compliant but late in filing. They were date stamped May 23rd but as far as meeting their employment goals, salaries and employees and investment goals are all compliant. Where they are non-compliant is where they didn't meet the 15th deadline.

Tom Harris: Just a technical question. Is there anything we can do to help these companies? You probably send out reminders or are in touch with them. Are you talking to them at that point?

Rachel Black: Yes. We are sending email reminders and this particular company hasn't had any issues before. Elissa and I tried to set up meetings with fifteen of the companies to have a one-on-one to help fill out the application but none of those companies took us up on that. We are working diligently to try to bring these before you and in compliance especially when they are just late.

Tom Harris: Otherwise they met all of the requirements.

Rachel Black: They did.

Tom Harris: I will move for approval of consideration of resolution 2017-06-15-03 approving the Statement of Benefits for CRD Management...Am I on the wrong one? Orthopedics Northeast...

Rachel Black: If you approve this, it will say that they are non-compliant. If there is no action taken on it there is a little confusion. If you don't take action on this resolution, they will receive the deduction. If you are approving substantial non-compliance, they will not receive the deduction.

Joel Benz: So historically they have filed okay.

Rachel Black: Yes.

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Joel Benz: So they have been in compliance but just got the paperwork turned in late.

Rachel Black: Yes.

Joel Benz: I think we would make no movement and go onto the next one.

Tom Harris: I will withdraw that error anyway.

Larry Brown: In the past, we sent a letter of reprimand, for lack of a better term, and asking them to do their due diligence the next year.

Rachel Black: I have spoken with the representatives of both of these companies and they are aware.

Larry Brown: Okay, thank you.

Rachel Black: Yes. The next one is resolution 2017-06-15-04 determining substantial non-compliance with Statement of Benefits for Parkview Health System, Inc. This was the same situation where it was date stamped May 23rd. If you decide the same action as we did before, you are taking no action. They have the same representative.

Larry Brown: Eight days late. Council, what is your choice? No action, I assume?

Sharon Tucker: No action.

Larry Brown: Do we actually have to do a motion on that?

Becky Butler: I think you probably should.

Tom Harris: This feels backwards compared to what we have done in the past and I think that is throwing us off a bit.

Becky Butler: You make a motion to not take any action.

Tom Harris: We can do these all together?

Larry Brown: We can.

Sharon Tucker: These two?

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Larry Brown: Why don't we group these together? Let's go through the rest of them and then we will do this.

Rachel Black: Okay. The next one is 2017-06-15-05 determining Substantial Non-Compliance with Statement of Benefits for R3 Composites Corp. They have quite a few years left for their eligible deduction. You saw them last year and they were here to explain the reasoning behind it. They had purchased the building in the Grabill community and they lost the client. They have stayed in Allen County despite that. They didn't meet their employment goal. They had said on the original SB-1 that they would hire 400. As of this year, when they submitted the CF-1 form, they had hired 131 employees which are up a few from last year.

Tom Harris: What is a few?

Rachel Black: I want to say it is up six.

Sharon Tucker: Up six total?

Rachel Black: Up six from last year. This would be your opportunity that if you decide to approve this one, they would come to the next meeting so you can talk to them and get more information.

Sharon Tucker: I know you mentioned, and I remember this one and one coming up, we had detailed debate on it last year. Weren't they here before us the year prior?

Rachel Black: Yes. I believe you all went out to see them that year too.

Sharon Tucker: So 2015, 2016 and now 2017, they have come before us for non-compliance.

Rachel Black: Yes.

Tom Harris: I would be interested in having them come before us.

Larry Brown: So let's take action on that one. Is that a motion you are making?

Tom Harris: Yes.

Justin Busch: I will second that motion.

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Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.

Rachel Black: I will send them a letter to attend your next meeting. The next one is 2017-06-15-06 for Silverado Properties. This one is no longer needed since it was added to Exhibit A and is in compliance. We will move on to 2017-06-15-07 determining Substantial Non-Compliance with Statement of Benefits for Terex Advance Mixer. We had thought they had not filed but then received paperwork that they had filed on time. However, they were non-compliant and last year they came before you explaining the same thing. The estimated number of employees when they filed in 2005 was 228. This year they reported having 238 employees and that was really great news. They had filed for bankruptcy and they have been growing. The reason they would be coming before you is they didn't have the 75 employees created. They are up ten but didn't meet the 75% compliance. This is your choice if you decide to approve this resolution to have them come back before you to explain what has been going on.

Eric Tippmann: You have to wonder if they can even find people, perhaps.

Sharon Tucker: Weren't they here in 2015, 2016 and 2017?

Rachel Black: Yes.

Justin Busch: For those of us that are new to Council, I think we would like to hear from them as well. Some of the Councilmen have visited these places and talked to these folks but setting a precedent of not reaching their obligation would be having other businesses that would want to come here.

Tom Harris: We will move for consideration of resolution 2017-06-15-07 determining Substantial Non-Compliance with Statement of Benefits for Terex Advance Mixer.

Sharon Tucker: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.

Sharon Tucker: Mr. President, if I could request that we have the minutes from that one sent to us when they showed up before and we could refresh ourselves on the reasons that they were non-compliant, I would like to have those.

Rachel Black: I believe it was June 20th.

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Sharon Tucker: I would like to compare the two years.

Larry Brown: That request is from Rachel and Becky.

Sharon Tucker: Yes.

Justin Busch: Also the total worth that Councilman Tippmann was talking about would be helpful as well.

Rachel Black: The last one is resolution 2017-06-15-08 determining Substantial Non-Compliance with Statement of Benefits for JCR Enterprises, LLC. In this case, the company didn't file at all.

Larry Brown: And still hasn't?

Rachel Black: No. I don't have any information for you to give on this. I think they have one year left or maybe two.

Eric Tippmann: I will make a motion considering the resolution 2017-06-15-08.

Joel Benz: I will second it.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Has anyone shown up from Saratoga?

Rachel Black: I want to make sure that we have taken action on what you needed to do on the other two.

Joel Benz: I will make a motion that no further action is taken on 2017-06-15-03 and 04.

Sharon Tucker: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.

Rachel Black: Would you like to introduce yourself?

Peter Margie: Good morning, my name is Peter Margie from CRD Management/ Saratoga Potato Chips. I am the President and Owner. I was here on time but I didn't bring my reading glasses and I couldn't read this outside.

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Joel Benz: I did see him in the lobby.

Rachel Black: I will give you a brief presentation and then Mr. Margie can answer any questions. Before you this morning is a confirmatory resolution for your consideration for Saratoga Potato Chips/CRD Management, LLC. They are the second largest producer of private label potato chips in North America and opened a facility in Allen County in 2011. They came before you in 2010 with plans to invest over \$3 million. They were approved for a tax phase-in and given a seven-year deduction for both real and personal property. With this application, the company plans to invest another \$2 million in real improvements and \$500,000 in manufacturing equipment. Completion of the project is expected to be in the summer of 2021. They currently have 228 employees with salaries over \$6.6 million and they plan on creating 25 jobs as a result of this project. The applicant is eligible for a five-year deduction on both real and personal property. If you have any questions for me or Mr. Margie, we would be happy to answer them.

Larry Brown: Would you like to give us an overview? Obviously business must be doing well.

Pater Margie: We are actually in a lull at this point because we are the store brands, private label. Now, when the economy is doing well, people tend to buy the actual brands more than our brands. When the recessions hit that is when we really take off. We have a certain section of our business which is a bunch of these small bags and we have customer demand that is increasing that capacitor department 100%. We have been very blessed in our business here. Our storage capacity is at the maximum and we are adding more storage capacity and some extra packaging equipment to accommodate these small bags that we have demand for. Over the next three years that is what our plan is to get more efficient with storage, increase our one ounce bag capacity and at that point we are going to evaluate potentially a much bigger expansion in this area. Back in 2010, we committed for \$3 million and actually invested \$8 million and that has turned out pretty good for us.

Larry Brown: Excellent. Council, are there any questions or comments?
Sharon.

Sharon Tucker: Of the 25 jobs that you are going to add, can you tell me what the average salary will be?

Peter Margie: There is going to be a range of jobs there but it should be around \$18 an hour. We have some general labor jobs, skilled jobs and some management jobs to go along with that.

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Sharon Tucker: Are all of the new jobs filled with people from our community?

Peter Margie: Where else are we going to get them from?

Sharon Tucker: Just making sure you are not bringing anyone else in from outside our area.

Peter Margie: No, just our area.

Sharon Tucker: Okay, I like that.

Peter Margie: Me too.

Larry Brown: Council, is there anything further?

Tom Harris: I will move for consideration of resolution 2017-06-15-01 approving a Statement of Benefits for CRD Management LLC/Saratoga Potato Chips LLC.

Joel Benz: I will second that. I appreciate you being a good citizen, so to speak. We just went through the list of those that are in non-compliance and I think you have more than fulfilled your past. Thank you.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Next on the agenda is the Recorder.

Anita Mather: I am Anita Mather and I am the Allen County Recorder. I am here to get a salary ordinance for Part-Time. It is currently a range of \$8.50 to \$11.00 and I would like it to go to \$8.50 to \$15.00. I have a particular reason. I have a staff member that retired a few months ago and we decided we could save some money by hiring a part-time person instead of replacing with another full-time staff person. We brought back someone that retired a couple of years ago but she came right back in and sat down like she never forgot anything. It has been a real pleasure to have her back and it has just been seamless. We haven't had to train anybody and she is a real asset to our staff. With her experience, I would like to be able to give her \$15 an hour. This comes out of the Recorder's Perpetuation Fund and so there is no increase to the General Fund.

Tom Harris: Just a technical question. You mentioned \$8 but it is \$8.50.

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Anita Mather: Sorry. I didn't even know about these amounts until I tried to pay her and they said no. I do want it to be retroactive to when she started.

Tom Harris: I will move for consideration of a salary ordinance amending the pay for the Extra Deputy Hire range from \$8.50 to \$11 to \$8.50 to \$15 and to be retroactive to May 8, 2017.

Bob Armstrong: Second.

Sharon Tucker: Does this affect the other part-time grids?

Jackie Scheuman: No, it is by department.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Next is the Sheriff's Department.

Brad Kohrman: Brad Kohrman, Deputy Chief of Administration. I brought with me Detective Jeff Shimkus who runs the Sex Offender Registry. I thought if you had some specific questions, I brought the expert.

Tom Harris: You might explain about the request.

Brad Kohrman: Basically we are here for consideration of a salary ordinance for an additional Extra Deputy Hire who would be a part-time clerical position in the Sex Offender Office. I know you have an extensive agenda so I will give you two minutes of background. Back in 2013, Council acted upon a State statute that was passed at that time that allowed local fiscal agents to pass ordinances so we can collect user fees from the offenders in the Sex Offender Office. The statute mandated the maximum amount that could be charged and Council, at that time, agreed with the maximum and so with the charges since 2013, is a \$50 annual registration fee for the offenders and a \$5 address change fee. It is not surprising that these people move quite often and there is quite a bit of paperwork involved in that. Since 2013, Detective Shimkus and the other officers in the office have collected \$101,448. They have really collected more than that and we get 90% and by statute that has to be used to run the office. The other ten percent goes to the State for the State Sex Offender Registration. What we have done with this, not counting salaries, all of the expenses for the office have been paid through this fund. In 2015, we were forced to make a move of the office. SORN and their workload keeps increasing and so they needed more space. At the time, they were located in the Bureau of Identification and needed more space. We made the decision to pull SORN out and found another location across the hall and the fees that were collected paid for the move and the renovations that needed to be done there. After paying all of the bills for four years, paying for the move

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and renovations, we still have a balance of \$59,730. We looked at this and the best use of these funds would be for a part-time clerical person. We are hoping it will be a retired officer from our department who is very skilled with a lot of expertise. If he can assist in the office, it frees Jeff and the other officers to go out and spend time on the street doing their address checks and investigations. That is why we are here today. If you have any questions about the registry, Jeff is the guy to ask.

Tom Harris: I wanted to make a comment. Thanks to the Sheriff and your department for using the fees from the bad guys in paying for ways to improve your department, hats off.

Larry Brown: I guess I have a question. This is quite a range.

Brad Kohrman: And the reason, like Jackie said, is done by division. When this range was set, it was set for several positions at the jail. This job is rated at \$16 an hour.

Tom Harris: I will make a motion for consideration of a salary ordinance establishing the pay for Extra Deputy Hire with a range from \$10 to \$40 per hour and for the appropriation of \$8,320 for Extra Deputy Hire and \$637 for FICA for a total of \$8,957.

Justin Busch: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.

Brad Kohrman: Thank you. If I could take a second, I want to thank Jeff publicly for the job he has done. Under Sheriff Herman, when the Legislature cast all of the Sheriff Departments around the State to run the individual County registries, Jeff left the Warrants Division, had an accomplished career there and took this on. He has had other officers working with him but I tell you this guy has done a totally fabulous job. He is the go-to guy and has made the registry in Allen County the pinnacle for the State. I was involved in it then, went to another position for eight years and am back now and I am constantly getting calls from around the State. They ask if they can get hold of Jeff or his assistant Mike Smothermon. He has done training around the State. He has helped other smaller departments get their registries up and running. He has been involved in the software that he found down in New Orleans that we were the first in Indiana to use and now the State has gone with it and it is statewide. He has done training around not only the State but also around the nation. I just want to thank Jeff for the job he has done.

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Jeff Shimkus: Thank you.

Larry Brown: We have a little bit of an agenda jiggle here. We are going to delay the next item and move on to the Building Department.

Tom Fox: Tom Fox, HR Department Compensation Specialist. The Building Department has a couple of positions that they are adding because business is really good. They are requesting an additional Electrical Inspector and a Plumbing Inspector to cut down the overtime and improve their turnaround and overall customer service. John can tell you a little bit more about that.

John Caywood: John Caywood from the Building Department. I come with the Office Manager, Shinisha Grayson. A packet is coming around to you that will help explain things while we go forward. As Tom said, I am looking for two additional Inspectors because of the amount of building in Allen County is maintaining record levels. We are experiencing some pain of not being able to provide timely inspections and so I would like to increase. If you look at the first page, this is an endorsement from the Building Contractors Association. I work closely with them and they represent a number of commercial contractors and are very much in support of this and ask for your support. The second one is a letter from the Home Builders Association and they are also supporting the additional Inspectors. On page three, the Plumbing Department Inspections and the Electrical Inspections, tracking back five years that we continue to increase in those inspections. Each department listed represents about a fifth of the total inspections for my department. These two departments only have three Inspectors and all of the others, except Commercial Structural, have four. Page five is our budget for 2017 which is \$1.8 million. The total receipts, as of this morning, were \$968,035. The last page is the Unsafe Building Fund. As you can see, we would clearly be able to cover the two positions with user fees which are building permits that are coming in and this would somewhat support itself and not cause more burden on the taxpayers because the users are the ones using the inspections. The two vehicles and the software purchase is going to go through Purchasing with the lowest and most responsive bid. We are going to take what we have historically taken and those vehicles are very low maintenance, The Ford Edges, we have had very little in maintenance in them and will probably continue down that road if we can.

Tom Harris: John, you are blessed and we are blessed with this continued process of things going in the right direction. There has been a time when things weren't going in that right direction and as we ramp up staff and equipment, there is also the other side of that. Is that something that you are prepared for in the future that should numbers drop off and such that we actually downsize?

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John Caywood: Yes, I have considered that and in looking at the staffing of 18 Inspectors, I have five Inspectors that are drawing Social Security. I am anticipating this building boom to go on for the next 18 to 24 months. Should it go down or when it goes down, I have staff that is going to be ready to retire and my proposal at that point would be not through layoffs but through attrition. They are spaced out pretty evenly through the trades in the Structural Division. I have looked at either replacing if we continue the boom or backing off of those positions through attrition, at that point. I don't see it being a pain for more than one budget cycle, should the worst-case scenario occur.

Joel Benz: I believe the Personnel Committee passed this 3-0.

Justin Busch: Thank you for the information. It seems very helpful.

Larry Brown: Council, are there any further questions?

Tom Harris: I will move for consideration of a salary ordinance establishing the pay for a Plumbing Inspector, PAT 3/2, \$39,867, non-exempt at 37.5 hours per week and also for an Electrical Inspector, PAT 3/2, \$39,867, non-exempt at 37.5 hours per week.

Sharon Tucker: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.

John Caywood: I will leave you with some good news too. I talked to President Brown last week and we are using our existing Acella software program to go forward with something called Instant Permits. There are a lot of permits, such as water heater change outs, furnace change outs and roofing that really don't require our staff to do processing. We are using that technology beginning with five permits and are reaching out to a larger local mechanical contractor to help test it. We have developed it and are testing to make sure that all of our formulas work correctly and then we are going to go live. This will alleviate 18% to 20% of our online permitting that gets processed by being touched by human hands. That will free up additional staffing to be even more efficient in getting our permitting out quickly. I just wanted to let you know that it is happening. We are making efforts so when we do have that downturn, if we lose even more through attrition we will be more efficient and using stuff that has already been paid for.

Tom Harris: That doesn't decrease the need for the Plumbing Inspector.

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John Caywood: Not at all. That is on the inspection side and not the permitting side.

Tom Harris: All right.

Larry Brown: Before they leave the table, we have eight more items for their department. We created the positions and now we need to pay for them.

Justin Busch: Move for approval of the appropriation in the Building Department General Fund for items three through 10 in the amount of \$87,692.

Bob Armstrong: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.

Justin Busch: John, I just want to say that I applaud your efforts in moving some of those things online and making the speed of that easy for Allen County being a great place to do business. If there are ways that we can be helpful in moving things forward or you need more funds or things of that nature, I would be eager to hear about that.

John Caywood: That is my goal and I know we are working with the Joint Permitting Oversight Board and I see the next step as a way to manage large documents. Right now that is the biggest thing and we want to have a method to hold them and revise them so everyone can see that. We are reaching out to Fort Wayne Community Schools and they use a program called Pro Core and we have reached out to Acella also. We are working on if that interfaces or not. That is the next big step but we want to make sure we are using those funds wisely and efficiently.

Justin Busch: I applaud your leadership efforts.

John Caywood: Thank you.

Larry Brown: Next on the agenda is Cooperative Extension.

Vickie Hadley: Vickie Hadley, Health and Human Sciences Educator and County Extension Director. Earlier this year, we had two of our three County Extension positions reclassified. I come to you now to move funds from Supplies and Maintenance Agreements and Gas into their line items for salaries and FICA and PERF.

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Larry Brown: Okay, Council, this is simply a transfer within their budget.

Sharon Tucker: I will make a motion to transfer in the Cooperative Extension General Fund items one through seven in the amount of \$4,410.

Bob Armstrong: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.

Vickie Hadley: I distributed the flyer for the Allen County Fair and encourage you to put the dates on your calendar and come out and visit with us.

Larry Brown: Vickie, do you need dollars to support this for your 2018 budget?

Jackie Scheuman: Is this going to be a permanent transfer or need funds for these salaries next year?

Vickie Hadley: Yes, we will need funds next year.

Larry Brown: Next on the agenda is Youth Services. I guess we have no representative. Does anyone know what this is about?

Nick Jordan: He was here. I can help if he is not out there. In the packet you will see that there is documentation...

Sharon Tucker: He had actually asked me to speak on his behalf. They went out to bid to get some new washers because the ones that they have had seen the best of their lives. They came to us with the best pricing and so he just needs approval to make the purchase.

Nick Jordan: It starts on page 66 and you can see the quotes from the three different companies that they looked at.

Tom Harris: I will move for the approval of the appropriation in the Per Diem Fund 737 for Miscellaneous Equipment in the amount of \$8,058.

Eric Tippmann: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Next is ACJC.

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Wendy Kyler: Wendy Kyler, Budget Analyst for ACJC.

Jordan McKinley: JDAI Coordinator for ACJC.

Steve Doster: Steve Doster, Assistant Chief of Operations, Allen County Juvenile Probation.

Wendy Kyler: Today we come before you for two items. The first one I would like to do is the funds transfer in the JDAI Fund 223. We would be moving money from our Schools and Seminars to Supplies and Office Equipment.

Nick Jordan: This was sent as an addendum. Becky sent an email either yesterday or the day before since it is not on your main agenda.

Tom Harris: The amount is?

Wendy Kyler: \$8,369.

Nick Jordan: Whoever is going to do the motion, get that from Larry so you can read it.

Larry Brown: Here you go, Sharon.

Sharon Tucker: Making a motion to transfer from Schools and Seminars for \$8,369 to Supplies and Office/Computer Equipment for \$8,369.

Bob Armstrong: Second.

Tom Harris: Just a question on that. Help us understand what is going on there.

Jordan McKinley: Originally, we had the grant set up in Schools and Seminars. We were scheduled to do some training however the training couldn't be done in time. It is now set up for the new grant cycle and we just had to re-appropriate funds. We are using those funds to purchase some supplies for our Day and Evening Reporting Program.

Tom Harris: And nobody is using this for vehicles?

Jordan McKinley: Right.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. The next item is the vehicle appropriation.

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Steve Doster: Back on May 17, 2017, Ron McCoy at the Service Center redlined our 2009 Equinox due to damage sustained on the road coming back from a placement trip. He indicated that the vehicle could not be repaired and was taken off our vehicle list. My understanding is that it was sent to the auction. We are requesting a 2017 Ford Explorer with a police package and it is the same price as the last one we had ordered.

Larry Brown: Seems to me that the initial paperwork I got, Judge Heath indicated a reason that this needed to be all-wheel drive.

Steve Doster: The reason we recommend an all-wheel drive is because of the size of Allen County and the fact that this vehicle is used by other divisions in our department but is also a placement vehicle which travels all over Indiana transporting kids to placements. One of the issues is the fact that finding placement for these kids is very difficult and once you find a placement, keeping that bed space open, you have to get that kid down there or they will give up that bed space to somebody else. It doesn't matter what kind of weather we are dealing with at the time, we have to get those kids in that placement or they are stuck in our detention center until we can make another appropriate placement.

Bob Armstrong: This is a shared vehicle and not a take-home vehicle?

Steve Doster: We have no take-home vehicles. They are all shared.

Tom Harris: In terms of when these kinds of things and accidents happen, actions have been taken to prevent, train and develop to make sure these things don't happen again?

Steve Doster: In this particular case, a Placement Officer was coming back and it was raining. It was a very busy highway and there was a truck tire in the road. He was behind a semi and the semi cleared it but the car did not. She didn't have any notice and she hit it. There was a substantial amount of damage to the undercarriage.

Tom Harris: I understand that because there was nobody else involved, it is our issue and insurance doesn't pay for it and this is why you needed to come and ask for another vehicle. Otherwise, insurance might have paid for a replacement.

Wendy Kyler: Charity Murphy was involved with the redlining of the vehicle. It wasn't safe anymore at all.

Eric Tippmann: Did the Equinox have the cage?

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Steve Doster: That one does not.

Eric Tippmann: Why do you need that?

Steve Doster: Why do we need a cage?

Eric Tippmann: Yes.

Steve Doster: To make the car more versatile for all of the other divisions.

Tom Harris: I will move for appropriation in ACJC General Fund for Vehicles in the amount of \$27,123.

Sharon Tucker: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Next on the agenda is Circuit Court.

Eric Zimmerman: Good morning, my name is Eric Zimmerman and I am the Court Administrator for Circuit Court and Chief Probation Officer for Adult Probation. We are here to get line item approval for the 2018 1006 Grant for the Department of Corrections. There is nothing added. It is an annualized amount that needs to be appropriated. I will certainly entertain any questions that you may have.

Tom Harris: Other than your annual fund is different than the rest of our annual fund, right? You receive these in the middle of the year.

Eric Zimmerman: The State fiscal year is July 1 through June 30. Every year, they renew and that is why I am here now for this.

Joel Benz: We chatted briefly about this and I will go ahead and make a motion for the appropriation in Circuit Court, Adult Probation Grant Fund 835 for items 1 through 12 in the amount of \$314,500.

Sharon Tucker: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. And now we have Superior Court.

Tom Fox: Superior Court has an Administrative Assistant position that they have and want to move into Court Services Representative. They would create a new position and eliminate this other position. That person has been

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basically doing the work of the Court Services Representative for some time. This passed the Personnel Committee unanimously and these gentlemen are here to talk more about it.

Judge Pratt: I am Judge Charles Pratt from Allen Superior Court.

John McGauley: John McGauley, Court Executive for Allen Superior Court. Essentially what we are doing is asking to reallocate some resources. We know that new positions are few and far between and we think the best use of this individual, because of the needs of the division and because of the skill sets that he has is in a Court Services Representative. What we are asking is to let us pay him at the same rate that all of our other Court Services Representatives are being paid at. We have no intention of refilling the position that he is coming from. The responsibilities of that position have been reallocated to individuals within that division. We are not asking for additional appropriation and will take care of it out of our existing budget.

Sharon Tucker: I will move for consideration of a salary ordinance reclassifying the Administrative Assistant, OSS 3/2, \$30,701, non-exempt at 37.5 hours per week to Court Services Representative, OSS 4/2, \$34,487, non-exempt at 37.5 hours per week.

Bob Armstrong: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Next on our agenda is Community Corrections.

Kim Churchward: I am Kim Churchward, Director of Community Corrections in Allen County.

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

Kim Churchward: We are here this morning seeking appropriation of our annual budget. As you know, we operate on a fiscal period with the State. We are seeking appropriation in funds other than the General Fund. Your agenda is broken down by our three distinct fund numbers and types. Fund 234 is the State Grant Fund which is specifically being the money that we receive from the Department of Correction for our annual operations this year being \$3,819,800. While I know that we are at the end of a very challenging agenda, I was reminded as I was driving here that Councilman Buskirk once pulled me aside and told me I needed to do a better job at self-promoting and promoting the agency. So, if I could take just brief moment

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and talk a little bit about this fund, the agency and the staff, we have recently received our new grant agreement that enables us to begin receiving these funds July 1. It was approved by the Auditor and County Commissioners and we stand ready to meet all of the challenges that are outlined in that agreement. In conjunction with that agreement, we received from the State our application score which guides our continued funding and our additional funding that we have been granted. A score of fifteen is needed and we scored a perfect fifteen on that application. In conjunction with that we are required by statute and rule to have a collaboration plan in place in Allen County. Our collaboration is currently is Community Corrections, Adult Probation and most recently the Sheriff. We are held accountable for not only having the plan but then being able to demonstrate it in our daily operations. This had a score of 22 and we scored 22. I would be remiss if I didn't say that Mr. Stevens hosted the State Auditors this spring and they spent two days exhaustively going through our records. All of our deposits and expenditures were left with no findings and with accolades for our meticulous organization and for the agency's overall fiscal responsibilities.

Eric Tippmann: Okay, now it sounds like you are bragging.

Kim Churchward: I am. With that said I would ask for your favorable consideration of our appropriation request as submitted. That is Fund 234. Fund 235 is our Community Transition Fund. We are required to track and expend those funds separately. The Transition Fund is with the program that we operate transitioning offenders out of custody and into the community. We are able, for a specific period of time, to do a State Per Diem and that is what those funds represent. Lastly, our Project Income Fund 236 represents any program user fee, drug screen fee and any other assorted grants that we may seek and receive during the year. Our total budget for 2017 to 2018 is \$6,287,520. I am happy to answer any questions you might have.

Tom Harris: Being a liaison as well as a member of the Board, a couple of thoughts. One is how does this amount compare to last year?

Kim Churchward: You will see that there is a new vernacular and the department now refers to Pre-1006 funding and 1006 funding. We are required to break our budget down by that. We were given \$705,400,000 in fiscal 2017 in the 1006 funding and as anticipated, it was reduced and our 400 series was reduced by \$37,400. That was in essence, a vehicle. We knew going in that certain equipment items might be one-time expenditures. That \$37,400 was backed out of our budget for fiscal 2018.

Tom Harris: As we know, the State continues to place emphasis on this model of having more people go through Community Corrections and spending less

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time in the jails with the State. The challenge is upon Community Corrections to deal with that even more efficiently each year. What is your biggest challenge for the department?

Kim Churchward: Thank you for asking that. Right now, I can say without a doubt that stable and sober housing for our client population is our biggest challenge. We had roughly 20%, in our last fiscal period, of folks who couldn't participate in the program services because of a lack of stable housing. For us that is a challenge and we are working with our local transitional living community and is something that we have continued to try to seek additional funding for to try to meet those challenges.

Tom Harris: So the State is saying to come up with some ways to have housing options as well as the different services that you provide. Along with that and you are probably going to be faced with some kind of a move for the entire department is still being discussed at this point.

Kim Churchward: We had a great meeting this week with the Commissioners and we are looking at a couple of properties but everyone is very mindful of the fact that there is a lot of interest in us relocating. We are looking for a place that serves our client base.

Tom Harris: Council, one of the things that came up during the recent meeting is that the individuals have to pay certain fees while in Community Corrections. One of the challenges that the Board was discussing was should we go forward in getting more aggressive and strategic in collecting fees or recognize the fact that some of these folks are never going to pay fees and kind of live with that. What are your thoughts on where we are at and such?

Kim Churchward: That is a challenge because we provide a service and we feel very strongly about providing that to the community and the Courts but at the same time there is very reasonable fee that is affiliated with the services we offer. With the Board's guidance, I think we are going to pursue a pilot of a soft collection process on just a certain population of individuals. Certainly it would not be on anyone who is elderly or on disability or Social Security or any of those folks that aren't able to pay. In an attempt to be fiscally responsible as we can be, even though it is in a pilot program.

Tom Harris: I would encourage that. As one member of Council, I have been a fan of making sure that the folks that get into trouble and receive all kinds of training and development should pay something back. I would encourage you to do that.

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Larry Brown: Tom, forgive me if this puts you on the spot but it seems to me that Council approved the expenditure of a large sum of money for a building on Cook Road that was intended, at that time, for this purpose.

Tom Harris: That is actually for Work Release. That was for the Sheriff's facility off Lima and Carroll Roads. There was consideration of having Community Corrections located in there but they have done an analysis and that does not make sense.

Larry Brown: Kim, I assume you are done with your presentation.

Kim Churchward: Yes and thank you.

Larry Brown: Council, are there any questions?

Eric Tippmann: I will make a motion in Appropriation in Community Corrections Budget, one through three, in the amount of \$6,287,520.

Sharon Tucker: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. We are going to proceed with a discussion about Special Occupations.

Eric Tippmann: Are we going to talk about the Coroner?

Larry Brown: We are going to do this one first.

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

Tom Fox: Tom Fox, Compensation Specialist.

Mary Rian: Mary Rian, Human Resources Generalist and Recruiter.

Tom Fox: I guess we are back to continue the discussion we started at last month's meeting about the Special Occupations and the proposed grid and scoring system. I have some things to hand out and first is an updated version of the grid we handed out last time. We have tweaked it a little bit. We found out that if we go ten percent above and ten percent below the midpoint, it doesn't create an exact twenty percent range.

Nick Jordan: Unless you use the midpoint.

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Tom Fox: Yes. We have changed the ranges a little bit and deleted the Coliseum positions that were in here. The Personnel Committee met after last month's Council meeting and they made that recommendation. I discussed it with Randy Brown and felt that because those positions are so much different than the rest of these positions and have traditionally been evaluated on a different scale compared to other arenas, it was decided to leave those out. That was another change that we made. We ended up with roughly forty positions. As you can see, the green areas are more than the current salary which means that some of these positions will have to score pretty high to be able to qualify for an increase. That being the case, we tweaked it a little more and came up with a new range. We took the same midpoint and instead of going ten above and ten below, we went five below and fifteen above stretching out the opportunity for increases. That means that you get to the point of the current salary of most people at the eight point range.

Tom Harris: Maybe explain that a little more?

Tom Fox: The original proposal, people didn't qualify for an increase based on the scoring until you got up to thirteen or fourteen points. That really doesn't help to expand the ranges at all. If we move the range a little bit, it opens up the upper end and gives virtually everybody an opportunity to get an increase.

Tom Harris: So the green reflects more money. If there is more green on the sheet, it represents more people could get an increase/

Mary Rian: Those in green are above what their current salary is. Just for looking at this, you are only seeing from eight points and beyond. It is already pretty small and we didn't go anything below scoring eight points. It starts with eight points and ends with nineteen because the max is on the right side of the yellow column.

Tom Harris: Earlier this week I emailed the scoring from five random positions like Sharon had requested at the last meeting. It has the score for these five positions and you can see where they would land on either spreadsheet. The score goes from eight to twelve points.

Mary Rian: Basically, the two options give you a choice if you want to go fifteen percent above the market at maximum or ten percent. He is going to pass out something right now so that you can get an idea of where people on the grids go above the market. Obviously we started where people hit market differently for each one of the grids. The sheet that he is passing around, OSS can go at 20 years of service with everything based on tenure on those grids

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up to 19% of market with PAT 25%, POLE 19% and LTC which we started their market right at the beginning 30%.

Tom Harris: So the premise of this last sheet suggests that since people on those four grids are paid above market, we should also pay our Directors and Special OCC's above market.

Mary Rian: That would be my suggestion.

Tracy Mitchener: It has already started a trend, right?

Tom Harris: Maybe. Not necessarily a trend, but go ahead.

Tracy Mitchener: That is kind of not a positive impact then if you are going to have the leaders who are in charge of those employees not to be able to be compensated also.

Tom Harris: Each time we have considered a raise, we have had that same argument that somebody else got a raise so therefore we should give these folks a raise. In my mind that is not a good strategic approach for County government. I look to why you give people increases? You give them increases because they are not meeting market because we are not paying competitively. Or there is a retention problem and can't keep them or recruit them. It doesn't appear that issue exists in any of these.

Joel Benz: Not only that but it seems to me that at ten points, it was the midpoint, right? To go above the external midpoint, we have built into our scoring sheet reasons for them to go above that. I don't think that just automatically, at five points, bringing them back to midpoint. Anybody that is here is going to have ten points to start out with based on their experience.

Mary Rian: I think what we wanted to bring to light is the fact that you are paying over market for all of your other positions. It is kind of difficult because those are all based on tenure. Special Occupations do not have a grid system that is based on tenure. You've set a precedent for all of these other positions by going well above market.

Sharon Tucker: Okay, when I look at the external midpoint that we are using, these are the numbers that came from the report.

Mary Rian: Yes.

Sharon Tucker: When I look at this, I see right away only five that are below what the midpoint would be. Our goal wasn't necessarily to put everybody at

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market and we had great discussion on that. We just wanted to make sure we were somewhere in there. From what I am seeing, what you are presenting is we have the potential to put some way over the midpoint.

Mary Rian: All I am pointing out is that you have already done that with the grid positions and have gone above market with the grid positions. You have set the point where they hit market. Most people have multiple years of experience and are beyond that market level. Does that make sense?

Nick Jordan: What Mary is explaining is that the grids, if you go tenure-wise, you get the steps up for that but Special OCC's stays unless you guys do a cost-of-living adjustment. It is kind of hard to relate the two but I think that is what she is trying to explain. When the decisions were made to put the WIS at three years, six months or immediately, anything after that you are essentially going to be above market and so at year five when you get the next jump, you will be above the market. The way the Special OCC...

Sharon Tucker: I don't think we can use the same measurements that we used for the grids because we have them as Special OCC to take them off the grid rules.

Nick Jordan: I agree.

Sharon Tucker: If we are going to be fair then we can't include what we did with the grid because those have that rule and we put them on and we put them in Special OCC because they don't fall into the grid ruling. We shouldn't apply the grid ruling for their increases.

Nick Jordan: And come back to the grid.

Tom Fox: Let me just throw something out here. In discussions with Councilman Harris, he asked us to compute something called the Compo Ratio. I will pass this around and let him explain.

Mary Rian: Basically what this is doing is telling you how far above the midpoint that those positions go based on their current salary. He asked to calculate the average and so this is taking every Special OCC's current salary and comparing it with the midpoint that WIS proposed. The average is 101% which means the average would be one percent above is what they are already making.

Tom Harris: From an aggregate standpoint, it is a way to look at how many people are how far within a range. This is saying just over 100% or one percent is above that range.

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Mary Rian: It is saying on average peoples' current salaries are one percent above what the WIS recommendation was.

Tom Harris: That becomes important when most of your employees are at the beginning of the range and are just starting out. You know a lot of people may be able to move into the range, right? It would be a cost thing. If people are farther into the range then they can't go much farther. That means there may not be a significant cost to the organization at that point. What this represents is that a lot of those people are already at midpoint or above midpoint. This is what we kind of knew but this gives us an aggregate analysis of it.

Tracy Mitchener: What we have to think about is where we want the midpoint to be. That is how we have done it and I know they have to be different but we also have to think we need to look at it kind of in the same aspect. If you have the midpoint starting on the grids right away and they continue to get more and more increases and then you look at Special Occupations, they basically are stagnant. Once you decide where that midpoint is, it is pretty much where they are going to stay because they don't get any increases over time like the grids. We have to kind of think about that. If we want everyone to basically be at the midpoint and never pay them more then that is one way to look at it. If we want them to have the possibility to be paid a little more than the midpoint because they can't really grow like the grids can...

Sharon Tucker: These are the places where their manager or supervisor has the ability to come in and give additional increases where the grids are only allowed to increase as the calendar rolls by or if Council decides to give an overall increase.

Tom Harris: That is what we have done every year, right? We do a three percent increase...

Mary Rian: That is not any different than the grid positions. People come to you all of the time for reclassifications of grid positions.

Tom Harris: I mean it is not fair to say that they aren't moving because each year we do a two or three percent.

Tom Fox: Under the proposal, they would still have to be scored. If you don't have a degree, you won't get those points. If you don't have supervision, you won't get those points.

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Eric Tippmann: Can I just bring up the scoring? I don't have it in front of me but I think the first one was one, two and three for degrees, right?

Nick Jordan: Yes.

Eric Tippmann: It is a layer of bureaucracy that takes out all common sense. You get three if you have an advanced degree. Was the advanced degree from the University of Phoenix or Notre Dame, you will get three points. It completely takes out people's judgment on individuals. You can go down the list with all of those and it is just so completely arbitrary.

Tom Fox: On the other hand, if we don't have any kind of uniform scale it becomes very subjective and that is where we are now.

Eric Tippmann: That's okay because we can react as we have problems. We can throw other resources at those problems.

Sharon Tucker: I just want to say I am thankful for all of the research and information that is provided and thank you very much for meeting the request. It helped me tremendously to form my opinion. One of the things that I worried about when I was looking at this is that in some of these categories, it leaves the potential for an individual to receive as greatly as a \$3,000 or better increase a year and the grid increase on some of them came to \$50 to \$60. That is just something that I can't see it when one of the midpoints is at 87% from Tom's Compo Ratio. I can see something happening on that one and I would support doing something individually to this one and maybe even the one that is at 92% but these are right within the zone and I can't see, myself and I am always supporting fair compensation. I can't see myself saying yes I will go for something like that.

Tracy Mitchener: They wouldn't keep going year after year. It is not the same as the grid. They would just come to you if their Department Head or Elected Official feels that they should go up and that is when you start using these points.

Sharon Tucker: That was my argument back to you. Their Elected Official or whomever could come at any point in time and ask for an increase.

Tracy Mitchener: If you see the same person coming up year after year, you could say no to that. It is not an automatic increase like it is on the grids.

Tom Fox: Chances are that the score wouldn't change.

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Tracy Mitchener: Right, the score wouldn't change enough to validate going up another point.

Larry Brown: Councilman Armstrong.

Bob Armstrong: Of all of these Special OCC jobs, in your opinion, how many of these positions could be put on a grid?

Larry Brown: Or how about creating a grid?

Nick Jordan: I don't know if you need to create one but I think it is a good discussion point or why they couldn't be put on the grid. We have three or four levels of the PAT grid that we don't touch.

Mary Rian: I think with the re-evaluation of the scoring of the system, you could make that work but remember what you are trying to do is to box 700 plus positions into one scoring system. Some of these, I don't know why they were put onto the Special Occupations. Within the scoring, they fell so out of place with what you would need to pay somebody to get a qualified individual into that position that they said we can't score it and put it into the right range and so we are going to keep it as a Special Occupation. If you have this series of factoring and how they score and it is straightforward, you would have to make changes to that to make it so these Special Occupations could fit into that factoring and score at the right level to pay them accurately.

Nick Jordan: My question or comment would be that on the scoring you could score up to \$108,000 on the PAT grid. That is above any of these on here. The grid is such that if you go to \$108,000, the salary ranges could all fit with the exception of a couple.

Mary Rian: Right but all of the scores relate to points and you are getting points because of a certain criteria. What I am saying is that in some cases the criteria won't give you those points. To put that onto the grid, you are like lying and saying that they won't get these additional points to make the fit.

Nick Jordan: How can you score them on this new scoring, if you can score them on these six steps why couldn't you score them in the six steps based on the grid?

Mary Rian: WIS did the scoring of these positions.

Nick Jordan: No, I mean you are creating a scoring to get to the ten up or ten down or fifteen up and five down. You are creating a scoring here to make this work. This is already in place why don't we look if they can go back on

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the grid and take advantage of what is here. The salary range is here and it takes into account experience.

Mary Rian: So you would have to adapt the score.

Nick Jordan: I am just saying instead of creating the scoring table which is almost another grid.

Mary Rian: That is an idea. I think there are a lot of different things that you could do to make it work. We have to have the directive to do what it is you guys would like us to do.

Tracy Mitchener: Perhaps one of the problems could be, as you mentioned with a position in your department right now, but if everyone has to start at the beginning with experience...

Nick Jordan: I would say that I want to be a Special Occupation to recognize the experience. That is what we know was the fault in the grids. Unless you went down to nine or ten, and say that we may start them at day one based on their scoring and they could almost be recognized for their experience even though we are not placing them on the grid for 15 years. By putting them all the way down at nine or ten we kind of recognize some experience. When Jackie or Renata leave I am going to say I want them to be Special OCC because I can get this stuff recognized.

Tracy Mitchener: So that would be the problem with everyone.

Nick Jordan: I think we need to see why on nine and ten, what scores you into these? What causes a person to go into seven, eight, nine and ten?

Tracy Mitchener: No one is in the nine and ten and so I don't know.

Nick Jordan: Instead of creating a new scoring system, figure out what this is for or why. The City cuts off at seven and then they have an Exec piece. Look at what they are doing. Instead of recreating a new system, take advantage of what is already here. I think we can make it back to Mary's point that if you look at these individually you can make an argument one way or another as to where they should be. It is just the directive of which way Council wants to go. We have these. They are here and they are almost ignored.

Tom Harris: This list of all of these positions, how many are open?

Nick Jordan: Just the Hydrologist.

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Tracy Mitchener: HR Director.

Tom Harris: Are they trying to fill the Hydrologist?

Nick Jordan: They always do, I think.

Tom Harris: So they are not trying to fill it, right?

Mary Rian: Unless they are not posting it and are trying to fill it.

Nick Jordan: Historically they have said it in the budget session but then I don't know.

Tom Harris: The reason I ask, in getting back to this, the other question I brought up is have we received any input from the Commissioners? Are they concerned about this grid? Some of these people report up to the Commissioners. Have they taken a position on this? I have not heard anything from the Commissioners on these folks not getting paid enough.

Tracy Mitchener: We hear it all the time from the Special Occupation people.

Tom Harris: You hear it from the people that are in the positions but not necessarily the people they report to.

Tracy Mitchener: Yes.

Mary Rian: I think what we hear the most from Special Occupations is the general that there is no change ever. Here is what we offer you and it is only going to change if someone puts up a fight for you. They see all of the other positions get a raise because they hit their five-year mark.

Joel Benz: In my mind, I think we should be pushing people onto grids. It makes more sense by and large. I know there are situations where we need to have these here. I like the idea of having parameters in place so that when somebody comes in we have specific steps and that is what I was hoping we were going to get to with HR's recommendation.

Tracy Mitchener: The problem with putting them on the grids is what are you going to do with exceptions? You will possibly have to make exceptions because like Nick said,

Tom Fox: We already make exceptions.

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Tracy Mitchener: If you have them on a grid and are going to make exceptions to the grid all of the time, is it any better than what we currently have?

Sharon Tucker: I go back to Councilman Tippmann's comment. It is all so subject and Mary made the supporting comment and what I keep saying is that it is subject to the relationship of the employee and their supervisor. Putting them on a grid can erase that. I have heard the comments that we are not getting promoted or we are not getting raises. The relationship between them and the supervisor may not be as friendly as another relationship. Somehow, that has to be erased. If there is one that is getting a raise right away and another one is not then it is a totally different argument. Putting them on a grid could eliminate some of that. I think our grid system, if it is working for the rest and Councilman Armstrong asked and we haven't gotten an answer to is are there any on this list that could be on a grid.

Mary Rian: Anything could be scored and placed on a grid but you are going to find sudden drops, I think, in a lot of these because I wish I could find a good way to explain.

Tracy Mitchener: If we would put people on the grid, the first top people, you get to \$72,000 and that is where everyone would have to start. Some of these people would love it because they are going to get a substantial amount of increase. Some of these people are going to have to go down in pay.

Nick Jordan: It just depends on how long they have been here.

Tracy Mitchener: But if you started to hire them. The person that left might be at \$93,000 but this person is going to do the same duties and only make \$72,000.

Sharon Tucker: That happens all the time.

Tracy Mitchener: But then you aren't going to be able to make any exceptions. What if you have a star person from the outside and you are going to have to be competitive to get that person? You can only offer the \$72,000.

Justin Busch: We have to have this unique skill set for these individuals. We paid a lot of money for WIS to come in and look at these individuals. We know what the midpoint is and it seems we are consistently at or above that salary. Ideologically, I think years of service should be taken into account. I would also like to see some performance in that as well. I don't think we should reward people because they didn't quit or find a job somewhere else.

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We have attempted to create a structure with the scoring system and I think we have added more points to the performance of that individual into this grid. The way I see it is that we have unique individuals and are paying, by and large, a fair salary and that they understand what we are looking for to get a pay bump for these individuals. I know it is the government and things are different here but I like this better than I do just saying we are going to bump someone just because they have decided not to leave. We should reward exemplary employees and people who work hard doing above and beyond their duty. I don't see a problem keeping the Special OCC grid.

Larry Brown: I think you are staying stick with this scoring system? Justin, are you saying stick with the scoring system that we discussed at the last meeting?

Justin Busch: I think we have taken a lot of time to talk and debate about that and to change that now doesn't seem prudent and to force these folks on a grid is going to create more problems.

Sharon Tucker: Based on the information that we have seen and the examples that have been provided, I tend to like Nick's suggestion that we make the current scoring fit the grid that we already have. From the midpoints that we see, we don't have a problem and I don't see any reason to take any action.

Tom Harris: Mr. President, one thing that I may be interested in is consideration of applying the Executive grid and could that even be possible? This is something that the City does. When I was the HR Director, we had the opportunity to create and Executive grid and chose not to before I got there. We have never applied the Executive component of the system that we currently use. It is kind of sitting on a shelf and we came up with this instead. It might be worth exploring the Executive grid. This problem or this issue is never going to go away. These positions will always be at the high level for the County for a long, long time. I applaud the idea of trying to figure out a systematic approach strategically to deal with these and one option could be consideration of the Executive grid. I think we got to explore that before any final discussion. I also like the performance component. I get a little bit concerned on if it is too generic. If somebody sits in front of us and their superior says that they are doing a great job and we have rated them on X, X is based on what? Is it leadership? Is it results in cost containment? Is it efficiency? What kinds of things are being assessed rather than just a general feeling that they come to work every day and they don't screw up? I think they are doing a great job. I think we have to go beyond that. That might make it a little more complex but I think it is safer for the longevity of this system.

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Larry Brown: Let me share with you what I thought was a good timing goal and that was to have it finalized for the preparation of the 2018 budget cycle. Then the departments would know how to deal with it. There is nothing that says we have to decide today but I would certainly hope that if we pursue other avenues that we do it in the next four to six weeks so it is ready for the 2018 budget cycle. That said, I am interested in other people's opinions.

Tom Harris: I agree. The problem is we have heard of other Elected Officials kicking the can down the road and we don't want to get accused of that. I think putting a timeline on it to say let's decide if it is going to be part of the budget or not, we don't have to make that decision today but maybe make it going into the budget. We can say we are going to have a system, revise it, update it and implement it in 2018 or we are not. Maybe that would be a good approach.

Larry Brown: So that is saying the July meeting.

Tom Harris: Next month already?

Larry Brown: Yes.

Justin Busch: I know this is a problem tackled by all levels of government and in Washington you have the GS Schedule and SES the Executive Service which gives a little more leeway for those employees that have unique responsibilities.

Joel Benz: I do think we owe it to, several different people have come to us including one today that want to have some adjustments done. We keep delaying this. If we have ideas, let's get it discussed and bring it to the next meeting and make a decision as to how we are going to go forward. The Personnel Committee could review those and make the recommendation.

Sharon Tucker: You are saying that the requests for adjustments are already coming to you?

Nick Jordan: You have already had five.

Joel Benz: We had the Coroner today.

Nick Jordan: Community Corrections, three from Highway and the Coroner.

Tracy Mitchener: It has been based on a lot of different things.

Joel Benz: But they are all in a holding pattern.

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Larry Brown: I disagree with that comment. It is totally because the WIS Study is out.

Tracy Mitchener: It is the WIS Study and I think the Coroner has kind of been left behind for a long time.

Sharon Tucker: I think Councilman Harris' concern last month was that we opened the floodgates for people to start.

Tracy Mitchener: Community Corrections was going above the WIS Study. The Highway was the only one that wanted to go up because they were below the WIS Study. The Coroner position has really has not been looked at for a really, really long time.

Tom Harris: To your argument, though...

Tracy Mitchener: I just don't want to lump that into one thing.

Tom Harris: Not that issue but the previous comment that we have kind of set precedence. You guys know this from Council is that should we move on these, the next up is probably Elected Officials. If these positions move up, your Elected Officials are all going to be in front of us saying that their top two, three or four people are now making more than almost I am and so all of a sudden that comes before us in the budget season. The unintended consequences are out there as well as the Sworn Officers.

Tracy Mitchener: I think it is also good for the leadership to be able to strive for something. If we don't even allow them and they are at midpoint and they have nowhere to go from there, they are not going to strive to become better leaders because there are no incentives. If they continue to just to be stagnant, right? Isn't it good to have a process in place for performance and to get a higher degree? That is another thought process. We can make it just like the grids. I think they are all strategies that you want to do, right?

Larry Brown: Yeah, but if we were such bad employers and things were so far upside down, we wouldn't see this chart looking like this.

Eric Tippmann: You would have more openings.

Tracy Mitchener: They are all strategies to think about. I am not saying they are the right ones and I am not saying anything. There is so much to take into consideration.

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Justin Busch: There are also midpoints and they are 50% above where they would be at midpoint in their career and we have to judge that at the midpoint of the salary grid. It could be specifically higher. I also like that we don't have individuals that don't come in at exactly the previous salary and that we are looking at previous experience when they join. If we have someone with a lot of experience, it gives us the leeway to pay them accordingly and attract top talent.

Tom Harris: Do you need a motion to simply move this?

Larry Brown: We need a consensus of what we want to do.

Tom Harris: I like your proposal that maybe we take a look at this as part of the 2018 budget process but we need to have that in front of us in some form of either we are going to move or not move in the next 30 days.

Larry Brown: Okay, do we want to push this back to Personnel Committee and HR or are we going to make better strides faster if we have a special meeting?

Eric Tippmann: Nick, what is your recommendation?

Nick Jordan: I think it needs to be a bigger discussion. To the special meeting, it is really going to tie in with the next thing that is on the main agenda today, the Sheriff's compensation. You almost need to have a meeting looking at their grid and I think it could be one together. If you were to visit these next steps on the PAT grid, the ones that are towards the top, the scoring is currently not in place or a system in place right now to score people in these things. The City's grids are set up, if I understand it correctly, that they can go anywhere within this range. Here is the top and here is the bottom. They can place somebody at five years if they wanted to and not just at the beginning. I think those are things to look at when you are looking at these Department Heads and Executive Directors and things of that regard. If they are unique and there are exceptions, for example we already took off ten Coliseum people because they were such an exception. I think you take each one of those and we are only talking about 50 people out of 1,300 employees. This isn't a huge subset. Even if you looked at every single one individually, it is not huge. The thing is, I think even though they may be in DPS or Building, the fact is you are managing people and that business. That may be similar to a different department but not the exact same subject matter. That is where I get back to that I think if movement up and down is such a big issue, I am not always a fan of sitting in a seat and just going upwards but for some point in time they were put on this Special Occupation because they wanted more money. That can be the only thing I can think of.

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If not, you have the way to earn more money here but you weren't scored adequately. I think for the big picture we could see what it looks like. If you took five of these, create the scoring and see where they sit here and then say this is where they would place. How does that compare versus creating a whole new scoring system for a Special Occupation grid and going down a different route? I think you have thrown the midpoint and you see Court Executive, it is hard for me to believe that there are many more making more than midpoint, what is that pool of salaries that were looked at and taken into consideration? This is such a big issue and to press it to July, I think you are just pushing the issue versus addressing it.

Eric Tippmann: Rushing it.

Nick Jordan: Yes rushing it because I don't think you are going to give yourself adequate time if you meet in the next two weeks, is that going to give HR enough time to come up with a scoring system to get an adequate picture of what we are even looking at. Either we take them off of here but if they are on here I think we need to see what they would score in these buckets. For these positions that are so unique, can we recognize experience overall? There is nothing that prevents you from doing that. It is what has been chosen.

Sharon Tucker: You are suggesting our current...

Nick Jordan: What is to say I come here from ten years at Huntington College and I want to work in the Auditor's Office? Why can't we honor that ten years of experience in governmental accounting versus saying they are going to start at step one?

Eric Tippmann: What gives us the most flexibility is what we want, right?

Nick Jordan: Yes.

Tom Harris: At this level and these positions, you want flexibility.

Nick Jordan: I would think. You have the ability...

Eric Tippmann: So what gives us the most flexibility? Putting them on a grid?

Nick Jordan: You would have to create that flexibility with the grid. Right now, the way the grids are built, no. The grids are not usually these higher level positions.

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Eric Tippmann: So it seems leave it as it is.

Nick Jordan: What I am not in favor of is creating a scoring system just to make the Special OCC's system work.

Tracy Mitchener: But we would be creating the scoring system for PAT nine and ten too.

Nick Jordan: I don't know if you are creating or checking with WIS for what already exists.

Mary Rian: For WIS, this doesn't exist. We asked them about it because we weren't sure where it came from.

Nick Jordan: Does the City for theirs'?

Tracy Mitchener: Nope.

Nick Jordan: Do they score on the Executive grid or do you just pick?

Mary Rian: No, they score on the Executive grid.

Tracy Mitchener: I don't know how we would get to the nine or ten.

Nick Jordan: If you can score on the Executive grid, you can score here.

Mary Rian: I would assume there is additional factoring for that portion.

Joel Benz: I think this discussion is best continued in a special session.

Mary Rian: What could we have prepared for that special session that will help you guys to come to a decision and give you more information? What would you like to see?

Sharon Tucker: The way I see it is we have two things going on. One is trying to determine how we are going to measure a person's points. And the second thing is what grid or range they should fall within. I like and would favor Nick's suggestion and get with him to get further understanding and then look at it. I totally hate the subjectivity of the Special OCC's being able to be so subjective. I don't know another way around it but I totally hate it. Experience has to be included in getting points.

Larry Brown: Experience and performance.

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Mary Rian: Okay. If experience does need to be a part of it, then it does need to be an addition to our current scoring structure. Experience is not a part of that. It is all based on tenure.

Larry Brown: I think we are saying related experience needs to be considered.

Mary Rian: So the possibility of adding points based on that for just those positions maybe to something that would be to Executive grid then.

Larry Brown: I don't have our scoring in front of me but I thought we had that.

Nick Jordan: Zero to five points.

Mary Rian: Okay, so you are talking about what we proposed with the scoring. I was still stuck on the subject of making it work within our current scoring system.

Tracy Mitchener: I think we are kind of confused because we have heard different things. You are okay with the scoring on these six factors?

Larry Brown: That is what we said last month.

Tracy Mitchener: Okay.

Mary Rian: I feel there is disagreement on it.

Tom Harris: What I think is happening is that I think we need clarity in terms of what are the true objectives. What are we really trying to do here?

Mary Rian: I think that is a great place to start. What is the philosophy going to be?

Tom Harris: Are we trying to get raises or are we simply trying to move people into getting more money or are there other objectives that we are trying to reach? I think we ought to clarify that a bit in order to figure out which direction we want to go. Where do we go from here? Is it the Personnel Committee or a subcommittee that can meet between now and next month to say let's come up and move forward. Ultimately it goes back to Personnel or back to Council.

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Tracy Mitchener: I think it has to be all of Council because at Personnel we kind of decided something and then it has been totally changed. We need to get everyone with a bigger discussion so that we can move forward.

Sharon Tucker: We started the discussion based on the report to determine whether or not we were at mid or market and we made the adjustments from that. We went to Special OCC's and we see that whatever the percentage is at the midpoint. We are saying do we really need to do anything or should we make a range to do something with? That is what we can't come to a closing door on. The information that we sought, we have. We see that the information is pretty much on target for this Special OCC's category. The PAT and the OSS were way off target. We addressed those by moving the grids.

Tom Harris: PAT and LTC initially.

Sharon Tucker: Yes and we addressed those things by moving the grid. We took that further by making a small adjustment to the other grids. Now we are looking at this one with information that we are armed with and we see full out that this one is right on point. There is only one that is really struggling but for the original purpose that we sought, the information was that we don't necessarily have to do anything with it. I think we had kind of decided that it would be okay if we did a small thing.

Larry Brown: I am not sure how we got there but we went down the path and wanted to give a range of flexibility but have limitations so that current incumbents could be rewarded appropriately and new hires with experience, following our scoring, could be competitively placed salary-wise in those positions.

Sharon Tucker: Have we ever had a new hire and is there anything preventing an Elected or supervisor having a new hire that immediately goes on Special OCC?

Nick Jordan: If they were already here they will be but if they were a grid they would have to come before Personnel and then Council.

Larry Brown: I have a question. It is kind of an interruption to your thought process but we keep referring to the WIS Study which is 2016. Are these 2016 figures or are these raised by three percent to current?

Mary Rian: The Compo Ratio is the figures that WIS gave us, so back from 2016 in comparison with the 2017 salaries.

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Larry Brown: Okay. In looking at this chart, let me restate what I think you said. Let's just take the top one. The WIS Study is at \$73,431 and the 2017 salary is \$63,539 and that 2017 is after the three percent increase that we gave across the board.

Mary Rian: Yes.

Larry Brown: If you take that thought process backwards, it's a lot worse than 87%.

Sharon Tucker: For that particular one.

Larry Brown: For that particular one. If you go down to the very best one, just using simple math, it ain't so good.

Tom Harris: But you move midpoint, right? So in other words, the WIS Study said X and you gave the person a raise and then you moved the midpoint by that same point.

Mary Rian: I want to also point out that what you did with the grids was that you didn't take into account COLA either. If we moved into the next year it would make a difference if you did a COLA increase but this year it wouldn't matter because we didn't take it into account on the grids. Am I correct? You applied what would be the COLA increase first and then compared that with the WIS Study.

Larry Brown: Tom, don't confuse my question or comments to any of the other grids that we have dealt with. I am talking strictly this one. Those others are history.

Tom Harris: That is what I am referring to as well.

Larry Brown: Okay, Council, what do you want to do?

Bob Armstrong: I think we should have a special meeting.

Larry Brown: What works for everybody? Is there any way we could meet June 29th?

Becky Butler: Do you want this room?

Larry Brown: Yes but we don't have to have it. We could use the HR room.

Nick Jordan: You could use our conference room.

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Tom Harris: What time?

Larry Brown: Me personally, 6:00 a.m.

Sharon Tucker: Yeah, that won't work.

Justin Busch: Darn, I already have a 6:00 a.m. that day.

Larry Brown: Does 8:00 sound okay?

Tracy Mitchener: How about 8:30?

Larry Brown: How about 8:00 a.m. Okay, 8:00 a.m. on the 29th in Nick's conference room.

Bob Armstrong: I am on vacation that week but let me check.

Larry Brown: I want you there. As soon as you know, let me know.

Sharon Tucker: Just to answer President Brown, when I added the three percent to the highest score on there, it was still our current salary was \$300 over what the three percent was. They would still be in range.

Joel Benz: So then the question is what are we doing with the Coroner? Are we going to delay him until July?

Jackie Scheuman: He is one that WIS didn't look at.

Nick Jordan: He is not even on here. There are like ten of them.

Jackie Scheuman: I just wanted you to know that his position was never looked at by WIS and so there is no midpoint.

Tracy Mitchener: So we have to decide what we want to do. Are we going to put him on the Special Occupations? He is kind of like a Chief Deputy but the Elected Official is a part-time employee. I don't think paying him 75% of a part-time employee is what he is going to go for.

Tom Harris: He is currently being paid and we are just talking about a change in pay. I would move that we wait until some further discussion and resolution is done.

Tracy Mitchener: Then we would have to determine what we are going to start with.

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Larry Brown: Tom, put that in the form of a motion.

Tom Harris: I did.

Sharon Tucker: Second.

Larry Brown: To delay?

Tom Harris: I moved to wait until we have further discussion.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 6-1 (Benz). Do we need clarification for you folks to be prepared for the meeting on the 29th?

Tracy Mitchener: Yes, what do you want us to have?

Larry Brown: I was afraid of that.

Tom Harris: Is it possible we can think through that and maybe propose something to give to them or throw some ideas your way? If we try to figure that all out right now we will be in the same spin cycle.

Tracy Mitchener: But we only have two weeks so that we can gather the stuff.

Larry Brown: Yes, it is fine and can run through me or Joel.

Tracy Mitchener: Can we have all of the requests by Monday?

Larry Brown: Yes. I hate to put a burden on all of you but they need to have it by Monday.

Joel Benz: We need to get this figured out.

Larry Brown: Again, it is so that Department Heads have this information for their 2018 budget cycle. Next is the discussion on Sworn Officers and Command Compensation.

Tom Fox: I can make this really quick. HR has met with representatives from the Sheriff's Department two or three times and the last time we brought Nick into it. We are getting to the point where we are fine tuning the proposal for looking at compensation for Sworn Officers and Command. We are recommending that it will require a special meeting for Council to look at that as we have with the others. I don't know that we should schedule it right now.

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Tracy Mitchener: Maybe we could talk about it the Special Occupations meeting.

Nick Jordan: We will push the Sheriff's Department to see if the 29th will be fine with them. We could potentially get them both done at the same time. We will follow up with them to see if the 29th is going to be okay.

Larry Brown: Would you all please estimate time allocation so that those on Council that have other day jobs can get back to them? Nick, the floor is yours on 2018 Projections.

Nick Jordan: I handed these three sheets out. I am going to start with the one that says General Operating Fund 2018 Estimated Revenue. Please stop me at any point. Since this is fairly early, I am not going into great detail because we will talk about this again in July. I at least want to give a starting point, the reason being that tomorrow we would like to send out the letter that I sent you a draft of. If you haven't already read that I want you to look through that in case you have any changes. Beginning with the General Operating Fund, starting at the top and going down, the 2018 projected revenue excluding ARC and Mental Health, those are pass-through and we take those out because they aren't part of our operating budget. That is \$96,802,132. Going into the next section you will see a little bit of the detail. Looking at the Property Tax Levy you will see that I have increased it by four percent. That is limited to the Assessed Value Growth Quotient which is a calculation that is done based on six-year average non-farm personal income. I calculated it and then felt even more comfortable that Larry DeBoer had done it again and we both are at four percent pending any new figures thrown out by the Federal government. That is what these are based off of. It should be around a four percent growth in our property tax levy for the General Fund. That is significant and is the highest it has been in ten years, if not longer. Some of those recessionary years are dropping off and new growth coming on. The next piece is the Mental Health and ARC levy that we take off and they are both growing by four percent. We pass those through to those agencies. The third piece is the Circuit Breaker. You will see that I have a ten percent increase which is very, very hard to predict. The last few years it has been almost flat. May factors come into that one being that if we can have a four percent increase in our levy but our pool of assessed value may only grow at three percent, we already have a difference there and are trying to pull more from a pool that didn't grow at the same rate then it bumps up the Circuit Breaker Credit. One thing that has helped us going into this year was we had a ten percent increase in Income Tax Revenue. I don't anticipate that year over year increase. I have actually only done half of that at five percent into next year. A couple of things to take into account, if you look at our unemployment rate, it is dropping but the labor force is

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somewhat stagnant and more people are going to work but the labor force is not growing. If the labor force isn't growing, you need to have people getting higher checks to bring in the new income tax revenue or more people to come into the labor force and go to work. It is severely lagging in the fact that it is almost 18 months in arrears. You look at this year's income taxes that were filed and based on 2016 revenue they use that for the 2018 distribution. I still anticipate a five percent increase but those types of things factor into the Circuit Breaker Credit. There are many more but right now that ten percent increase, I am hoping it is on the very high end and we don't see that big of an increase. It all depends on the taxing units' levies and the assessed value.

Tom Harris: May I ask a question?

Nick Jordan: Yes.

Tom Harris: Does this recent discussion of LIT potentially impact that number?

Nick Jordan: No and I am glad you asked that. Anything in this whole projection has nothing to do with the City's increase in LIT. That goes into Fund 329 which is CEDIT, as it used to be called. That is a total separate pool of money and doesn't factor into here. Why it could factor in is if we move some expenses from the General Fund into that Fund 329 but that is a whole different discussion. Same thing with Wheel Tax/Surtax as it is a different fund and does not have the affect here. The working fund levy, it is a 3.22% increase. The next piece after that is the General LIT which is Local Income Tax and Local Income Tax Public Safety Revenue. That detail is the other sheet that I passed out with the various line items on there. If you want to go through any of these, we can but if not you've got it. These are very fluid. They will change as time goes on. On some, we can get a pretty good idea based on history and the current economic trend. Other things we wait for better estimates from the State or see how the rest of the year plays out. At this point in time, these are the estimates that we came up with. You can see the percentage changes and like I said, we are willing to walk through the changes that we made here.

Tom Harris: You guys have a tradition of hitting that pretty close every year.

Nick Jordan: What happens is some, given there are 30 to 40 things, some we are spot on and others are up or down and it usually evens out. We are pretty conservative. That is the revenue aspect there. The \$96,802,132 is approximately a 3.7% increase over 2017. The middle section looks at the expense side. You have the 2017 budget which is approximately \$97.9 million. The same, we backed off the ARC and Mental Health expense

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because it is not a part of our operating budget. Taking off the County Council Other Capital of \$700,000 that we budgeted that is usually based on one-time revenue and we don't anticipate that one-time revenue of \$700,000 again. You will see that at the bottom where we have thrown in a \$300,000 figure. The State has granted Probation Officers a two percent raise.

Tom Harris: Already for 2018?

Nick Jordan: Yes, they are on their fiscal year. That is the same thing with the Sheriff, Prosecutor and Chief Public Defender and is approximately \$80,000. The step increases, including PERF and FICA, we have thrown a \$500,000 estimate and that is on the high end. We are doing it for operational and internal purposes. We are estimating a little differently to save a good amount of time because we used to get it down to the penny. For those that are half year or three months, we would calculate those but instead we are going to fund a full year step but they will only use what they need for when they hit the step. It may be around \$350,000 instead of \$500,000. On the Sheriff's Pension, I have \$100,000 increase bumping it from \$1.8 million to \$1.9 million. Their pension did go up to around \$2.3 million. The way we work this is the Service and Process Fee goes into their fund and we always try to drain that fund and take everything we can to pay the pension first and what is remaining is paid out of the General Fund. I anticipate this \$1.9 will be on the high end because they are generating about \$500,000 in the Service and Process Fee. They are going to get two more dollars on their papers served. I bumped it up in case we fall short. Group Insurance and Health, I had originally budgeted for 2017 \$1.5 million and I am dropping it down to \$9.25 because we are having great claims experience and have been almost flat for three years running. We are running an almost \$9 million balance in the Health Insurance Fund and looking into next year, I bumped the contribution to \$9.25 and push the claims up to \$13 million and we are still having a healthy balance going through 2018 into 2019. That is why I felt we could drop this \$250,000 from the General Fund contribution. Other County-wide expenses are just some miscellaneous things like Life Insurance, we pay a consultant to do different cost allocation for 4-D and nonetheless some of that is unemployment insurance. That is an estimated \$23,000 decrease from where we are in 2017. The changes in department operating allocation adjustments, the Election Board has next year an election year and so we bumped them up. We reduce them in years when there is not an election. At this point we did \$407,000. What happens is Beth will submit her actual budget and then we will reconcile from there. It is usually pretty close. She does a good job of working within the means that Council assigns. The next piece is Decrease in Council Budget for Unspent Contractual Money. When we came into 2017, we had in Council's budget approximately \$1 million for the grids and Public Defender litigation and in the Contractual line there was

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\$2.3 million that was that was not allocated to any specific expense. To date, you have granted about \$1.3 million on the grid adjustments that were made not including Special OCC and Sworn Officers. If you started at \$3.2 and take off the \$1.3, you are around \$1.9. Even if you grant the Sworn Officers a raise and the Special OCC, I don't think you will use more than \$1 million. Even if we didn't take it off, it would roll to the bottom line as rollover. One way or another, I don't think you will need this \$1 million in Council's operating budget into 2018 unless something comes up. You can always pull it out of rollover next year. This year we have \$6 million sitting for appropriation, it would sit in that figure and you could appropriate it. From 2017 into 2018, I anticipate approximately \$4 million decrease on the budget side. Again, the big chunk of that is the ARC and Mental Health and so don't be misled by that. The amount of revenue exceeds expenses by \$2.8 million. Again, \$300,000 of it, I estimate for the Auditor's Ineligible Homestead Fund, one-time money that has been decreasing year over year because it is a one-time audit that is ongoing but we don't expect substantial revenue like we did for a couple of years. That leaves approximately \$2.5 million for funding of ongoing operations, if you so choose. Couple of things, this does not factor in any rollover. If you look in history, I can almost guarantee \$2 million in rollover. If we want to throw that in here, we can in July. If you wanted to estimate raises, a one percent raise is about \$600,000 and two percent would be at \$1.2 to \$1.3 million. You have approximately \$2.5 right now but I think that will only grow. This doesn't even factor in any of our Special Funds. We are in a very, very healthy financial position even after all of the raises that you granted.

Tom Harris: This may be one of the strongest. If you add the \$2 in that is \$4.5.

Nick Jordan: Yes, knock on wood it is a great economic time. As I mentioned at the last meeting, by 2020 the Jail and Juvenile Center bonds will roll off. We are paying about \$4 million a year for those and that is only two to three years away. It won't necessarily help the bottom line but it does alleviate the tax burden and debt service levy. Anything can happen between now and then but we are at a good starting point. That is what the letter kind of reiterates. One thing I changed was that in years past we had more questions on there and one of them was in regards to purchase orders. It became kind of irrelevant and was one that really didn't need to be in there and so we took it out. I kept three things that are crucial. If you have any other questions that you would like to put in there, we can but I ask that by tomorrow you get them to me.

Tom Harris: I have one question. You have the Rainy Day Fund reserves over \$25 million.

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Nick Jordan: That is General and Rainy Day. Right now we have about \$15 million sitting in the General Fund and almost \$13 million in the Rainy Day Fund.

Tom Harris: That is still very flush.

Nick Jordan: It is huge. Twenty-four percent of our property and income tax budget, if you would take in all of our property tax budget and the fund balance of just those two funds.

Tom Harris: So the Rainy Day was \$13 million which is about where we wanted it.

Nick Jordan: Of the \$95 million operating budget, we like to be about two months of operating in the Rainy Day Fund for an emergency.

Tom Harris: So the challenge would be that if we have \$4.5 and we only spend two then we can put two in the Rainy Day. It doesn't mean that we can't put it in Rainy Day it is just that there was a goal to hit somewhere around that \$13...

Nick Jordan: The one reason that we didn't was because in the past we always did a loan from the Rainy Day Fund for cash flow operations. We didn't do that this year because we kept the cash in the General Fund.

Tom Harris: There are still big ticket items that are coming at us and we need to make sure the Rainy Day Fund is healthy.

Justin Busch: Excellent work by your office, Auditor Jordan.

Nick Jordan: With all of the discussions that are going on with the City's increase in taxes or the Wheel Tax/Surtax discussions, I encourage you to contact us or push on those departments that you are having conversations with to inquire about their balances and ask them for a plan. My personal opinion is it is very hard to seek tax increases when you are sitting in the fiscal position we currently are. We are not in dire need. Some of it is out of our control and certain discussions are in our control. After all of the raises have been granted and our current fund balances, it is hard to ask for more.

Larry Brown: Have you heard from the State what the allowable increase will be?

Nick Jordan: We will find out towards the end of June but I calculated at four percent and Larry DeBoer calculated at four percent. It is not a secret

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formula but just a matter of getting the most updated figures and they will potentially do one more update but I don't think it will sway from the four percent.

Tom Harris: That is also higher than it's been.

Nick Jordan: I think it is the highest it has been in ten years. It was floating around two percent for a while. It is a six-year lag.

Larry Brown: I remember it being 2.6%.

Nick Jordan: Yes. Our net assessed, look at any newspaper and it is a seller's market. That helps assessed values and we are in a very, very good economic time locally.

Larry Brown: Thank you, Nick. Does anyone have any questions for Nick? You want changes...

Nick Jordan: If I don't get any changes, come tomorrow by noon, this is what we are going to send. We send a Capital Survey which forces them to look five years out and say what they need capital-wise.

Larry Brown: I would like for us, at budget time, to also remind departments that the capital crystal ball, if you will, is important.

Nick Jordan: Yes, there are usually some significant purchases.

Larry Brown: Okay, recent and upcoming meetings. I want to share with you guys some conversations that I was involved in over the last few weeks regarding Wheel Tax/Surtax and increasing LIT. I suppose this started seven or eight weeks ago and the Legislature was still in session. There was not a decision on HB1002 but since then HB1002 has been decided and gas tax is increasing but we don't know yet an exact figure of what it is going to be. How this relates to Wheel Tax/Surtax is in knowing that the license bureau has a nearly impossible mission determining who for sure is in the City limits and who is not. It seemed like a pretty good idea to try to compensate for that problem by eliminating the City's Wheel Tax/Surtax and increasing the County's Wheel Tax/Surtax. The reason I thought it would be economically feasible is a part of that discussion was also to reduce the amount of the local income tax increase instead of a .15 increase and making it .10 and using averages. The net result in the unincorporated area of the average income was about a four dollar a year decrease. That seemed like a good idea but we decided to wait and see what the Legislature finally came up with and at the same time the City Officials were continuing planning and moving forward.

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To get to the bottom line real quick and knowing the current taxing atmosphere it seems like things are increasing from every direction. The discussion with the City included the reduction of LIT increase and it became obvious it wasn't going to happen. I guess the decision in the collaborative effort between staff, me and Commissioners was to sit right where we are and not do anything and ride out the storm, so to speak, and see what HB1002 results are of actual money received and knowing that we didn't ask for it but we are going to get \$2.5 to \$2.8 million from the LIT increase. The City will have control over that. It could be applied to the shortfall within the Highway Department of roads, bridges and 17 housing additions that are in the unincorporated area that are in dire need of improvements. Anyway, bottom line was we will sit right where we are and see how things work out and if we need to consider a Wheel Tax increase for 2018-2019, perhaps. I hope all of you are in agreement on that. It seemed like a prudent thing to do. That is all I have to share at this point in time. Are there any other upcoming meetings or liaison reports that you want to share?

Bob Armstrong: The only thing I have is, I don't know if it was the end of last year or the first of this year when the purchasing agent was here and we were talking about the amount of cars that are in the rollover process, coming off the rolls and getting rid of. She was supposed to respond back to us of what vehicles are at that roll off time. I would like to see that before budget time. I have a funny feeling that we will see a lot of departments asking for new vehicles. I would like to see that report with the 25 point scoring system.

Larry Brown: Becky is making note of that request.

Justin Busch: Maybe this is my ignorance but I would like to know when it comes to LIT why it is weighted the way it is where we don't really have a say when it comes to that piece.

Nick Jordan: The Legislature. It used to be County Council.

Eric Tippmann: We technically do have a say.

Larry Brown: It is based on population.

Bob Armstrong: Isn't that 70/30?

Nick Jordan: Yes, they are at about 77%.

Justin Busch: Same for all 92 Counties, right?

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Nick Jordan: Yes, the law outlines what it is but the County may have higher populations in some cases.

Larry Brown: To piggyback on that at our July meeting if County Council wants to make a statement, if you will, we can discuss that and vote on that in July. We should know for sure what the City is going to do by then.

Justin Busch: We represent them as well and the three of us represent more individuals than anyone else as At-Large County Councilmen.

Tom Harris: Actually we all do because once you are elected, you represent everybody.

Larry Brown: The voting base is what he is saying.

Justin Busch: The electorate can vote us out.

Tom Harris: That is true, the voting base.

Eric Tippmann: As liaison to the Coroner, I would just like to say that I was going to speak in favor of the raise. I don't want these people to be discouraged because they do a very necessary but equally unglamorous job. I was going to speak in favor of that and I hope he doesn't get the impression that it is not forthcoming.

Larry Brown: Okay, anyone else?

Nick Jordan: In July, historically we have had two days but we just have one day and so it may be an afternoon type thing instead of coming back for two separate days as long as nobody cares. If you want to do two days, we can but what would happen is be here for two hours for one day and then come back the next day. We are throwing it all into one day. It really just depends on how long the main meeting agenda is.

Larry Brown: The past several years it has worked out really well.

Nick Jordan: When we had less money and you had to make budget cuts, it took a lot longer.

Larry Brown: We are going to stay with one meeting day. Block out the whole day.

Joel Benz: Approval to waive the reading on any matter approved today for

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which it may be deemed necessary for the County Council meeting of June 15, 2017.

Tom Harris: Second.

Larry Brown: All in favor please signify by saying aye. The motion passes 6-0-1 (Tucker absent).

Justin Busch: Move to adjourn.

Bob Armstrong: Second.

Larry Brown: All in favor please signify by saying aye. Opposed like sign. The motion carries 6-0-1 (Tucker absent). There being no further business the meeting was adjourned at 11:14.