

ALLEN COUNTY COUNCIL MEETING MINUTES
JANUARY 18, 2018
8:30 AM

The Allen County Council met on Thursday, January 18, 2018 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, Auditor; Jackie Scheuman, Finance and Budget Director and Becky Butler, Administrative Assistant.

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

Joel Benz: Good morning everyone. First on the agenda is the approval of the December 21, 2017 meeting minutes.

Justin Busch: Make a motion to approve the minutes from December 21, 2017.

Bob Armstrong: Second.

Joel Benz: **We have a motion and a second. All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.** Next is the financial report from Auditor Nick Jordan.

Nick Jordan: Good morning, Council. I sent an email last week with a couple of year-end financial recap pieces and if you have any questions, I would be happy to answer those. What I would like to start with is if you would go to page three in your notebook. It shows the County General Fund starting January first of 2018. I also passed around a sheet that shows a breakdown of the 2018 General Fund cash. If you look at the cash balance on 1/1/2018, there is approximately \$29 million and that is the highest it has ever been. You can see, on the sheet, how that is broken down. The first piece, or about half of that is about \$14 million that we had sitting last year in 2017 in the cash balance and is carried over. You can see the three pieces that make that up. The \$6 million and \$3 million, I have carried those forward and will point to them in a second. The next aspect is the Miscellaneous Revenue. Unfortunately we erred a little bit on our estimates but luckily it was on the positive side. They were a little too conservative and we are at \$6 million over in revenue exceeding our estimates. You can see that some of those are one-time types of things that we won't experience again and is almost \$2 million and the top one there is for the care of prisoners. It is good to get the reimbursement but it is also alerting to see that our expenses are high enough that we are receiving greater reimbursement than we have in prior years. Some of these are record figures when you

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look at the historical revenue for the specific item. The next piece is what is considered rollover. That is about \$5 million. Two million of this was in your Contractual line and potentially that would have been used for the Public Defender. You budgeted \$500,000 in the 2018 budget. We didn't have to do anything for 2017. The other aspect was the Sheriff's raises didn't take effect until 1/1/18 versus all of the other grids taking effect in 2017. That makes up about \$2 million. The \$3 million is close to the historical average and two big pieces out of that are Juvenile Center and the Jail. They always have turnover in positions and so they account for a big chunk of that. That detail was in the 2017 Unspent that I emailed you last week. The next piece is the 2017 Unspent PO's of about \$1.4 million. In theory, it will net to zero because those are carried forward and they encumbered them and anticipate spending the money this year. That was sitting in the cash balance. The close out of the COIT Fund, a couple of years back the State Board of Accounts made us create a special fund for our Income Tax Certified Shares and they have since reversed their position and said it can go to the General Fund. That allowed us to bring \$1.2 million into the General Fund that was sitting in the COIT Fund. The second to last there is we always put an allowance for uncollectable property tax and the way we present it is kind of rarely ever used for the fact of the way property tax works. If you don't pay your property tax it goes to Tax Sale. There is very, very minimal uncollectable, if ever, especially with the way it is presented on your financials. That \$1.1 million was not need because we collected 101% of our property tax budgeted. In the new financials, going forward, we have removed that just for the fact that it is rarely ever used. If we ever get to the time period where we start to collect below 100% then we will put that back in. It is misleading and was always resulting in a million dollars or two percent rolling down to the bottom line. The very bottom piece is for miscellaneous items of a couple thousand dollars. When you look back at the financial, what I just detailed was the cash balance. If you go to the bottom third of the financial page, on page three, you see the amount left for appropriation. That figure is \$19 million. I have pulled out \$9 million. Six million is to replenish the cash reserve so that we don't have to do a Rainy Day Fund loan as we had two years prior. It is just extra processing work and if we can just leave the \$6 million in the General Fund, then we don't have to do the extra paperwork. I still have \$3 million in there for post-employment liability and that is to show that we have a cash reserve for the early retirement incentive right now. That is about an \$8 million unfunded liability. If you throw the \$3 million at it then it helps reduce that unfunded liability without creating another separate fund. I have put those two ear-marks in there, if that is what you want to call them but obviously at the discretion of Council, you can tell me no and get them off of there because we want the \$19 million to show \$22 million. That is your call. That is just what I started with. Again, this is just the General Fund. If you go through the next few pages, you can see the Other Major Funds. Rainy Day Fund is about \$13 million and is on page 14. That will only continue to increase because the Highway is repaying their latest truck loan at \$340,000 a year. The \$13 million represents about 13% of our general operating budget. Of our overall Property Tax budget, it represents about 11%. That equates to a month or a month-and-a-half of expenses if zero revenue were to come in. You don't see this in your notebook but our Self-Health Insurance Fund is sitting very, very well at about \$9 million. Last year we had a great year for claims expense. The two to three years prior, we have been averaging around \$11 million of claims expense. Last year was \$9 million

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and five years ago it was \$13 million. We have had a downward trend, much to the decisions made by the Commissioners and yourselves to go to one provider and with the discounts from Pro Claim and our providers work for us.

Larry Brown: Question on that. At one time we tried to consider what our average age of employees was and this was back when we were coming off the \$13 million. We had some really good explanations for that, I believe, at the point in time. Do we know what that is?

Nick Jordan: The average age of employees? We can easily calculate that. I don't know it off the top of my head but we can easily calculate it.

Larry Brown: I just wonder if it is going down.

Nick Jordan: I don't know. The last time we looked at it was actually in regards to the early retirement incentive. If you were hired after 7/1/2010, you are no longer eligible for the early retirement incentive. That is one of the reasons we looked at to see what the average age was because at 65 you are kicked off the early retirement incentive anyway because you can qualify for government health insurance. It has been a few years since we have looked at the average age.

Larry Brown: Okay, thank you.

Nick Jordan: Just a historical look back, so to speak. Prior to the \$29 million, in 2008 we had \$24 million. Within two years that \$24 million was split in half. In 2011 and 2012, we had across the board budget cuts and by 2013 that \$24 million was \$6 million. It is great to have the \$29 million. It is an optimal position to be in. My word is that we don't have to spend it. It won't hurt if it just sits there and if history repeats itself, it will become in need. Potentially we don't have to do the across the board budget cuts the next time that happens. You all know, as the Building Department has reported, we are in a record economy with building permits, unemployment and so forth and it is reflective of the local economy. I think we have two good years because we work in a lag of what is currently going on. A lot of people ask what we are going to do with the money but it is not burning a hole in anyone's pocket. Like I said, last year there was \$14 million that sat there and everything was fine.

Larry Brown: I believe it was Economic Development distribution out of the State that had made some errors. Are they better now that they have changed personnel down there several times? Do we feel more comfortable? Are they more accurate?

Nick Jordan: I don't know. What I do know is last year or the year before, the State Legislature put in a law where they took a tiny piece off of everybody's income tax distribution to help fund the Department of Revenue's new financial software. I don't think that has been fully implemented and the Department of Revenue had said at the conference last year that they hadn't even started it yet. He highlighted that when it does happen, they will have much better software. Not that anything is wrong not but a much

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better accounting with this new software. They are taking that tiny piece from everybody's income tax because that money is collected by the State and remitted back to us locally. They are at least moving in the right direction. Starting this year, because of the City's Income Tax increase that they enacted last year, the LIT economic development is increasing by about \$3 million. That goes into a different fund which is the Commissioners' CEDIT Fund 329 as it used to be called and is on page 11. That is sitting around with a cash balance of \$19 million.

Joel Benz: Councilman Harris, did you have a question?

Tom Harris: I was just going to make a comment that we do have a new Auditor down there too maybe checking and watching those numbers. From the Miscellaneous Revenue, any change to your estimates this year as those were pretty positive.

Nick Jordan: We have revised some and they are already done. That is half the problem because we are doing those in July and we only have half the year to work with. We have bumped some up and I will provide you with a detailed breakdown of the variances in those Miscellaneous Revenue estimates greater than 10%. I will email that to you. Some of them have gone up but we have been a habitual very conservative estimator, so to speak, and we don't want to err on the side of saying too much. In many years past, it has worked within a couple percent but this year I think it is about 15% to 20% that we missed the mark. Again that was on the positive side but...

Tom Harris: My only thought is that the indications are that it is going to be another strong year and the opportunity for that number to come in strong on Miscellaneous Revenue is up there, I guess.

Nick Jordan: Exactly. If you take off some of the one-time items, you will drop that figure a little bit right off the bat but some of those have been increased. For example, Vehicle Excise and DLGF, I already know that is about a million dollars budgeted higher and wasn't changed. I made sure to look at that this year but for some reason it was lowered last year and created some of the gap there.

Tom Harris: The rollover at \$5 million, you said if you took the first item out it would end up being about \$3 million which is generally the amount that we looked at as \$2 to \$3 million. That came in basically as we generally would see it.

Nick Jordan: In the Unspent packet that you got in the email last week, you can see the last five years and we can show you even more and it breaks down the detail. As you have all heard many, many times the Jail has constant turnover and almost always has unfilled positions. ACJC is in a very similar bucket with some of their workers.

Larry Brown: I guess a question I have is, and maybe have a more in depth discussion at our next meeting, should we transfer some of that money out of General and into Rainy Day so that we get closer to the 15%?

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Joel Benz: I think that is worth discussing. Our operating budget has increased a little bit over time and we haven't, in a couple of years, put anything in the Rainy Day Fund.

Tom Harris: I would agree with that. I think also having the cash balance as high as Nick has pointed out helps us with our bond rating as well.

Nick Jordan: They will both factor in. We are only talking, to move it to \$15 million, is \$1.7 million. It is not a huge piece but about 10% of what you are sitting on. The biggest thing I don't want to do is move it to Rainy Day and move it back and move it again and move it back. If we are going to move it there, let's keep it there. I only have a \$6 million earmark for the cash flow reserve and that should be fine. As our budget increases that cash reserve will need to be bumped up a little bit but at the \$19 million mark that you are currently available to appropriate, we should be fine.

Tom Harris: From a bond rating standpoint...

Nick Jordan: They take it all into consideration. In our financial statements, our overall cash position factors all of that in.

Tom Harris: When does that happen?

Nick Jordan: They can do it at any time. Two of our bonds are going to roll off by 2020. That will leave Maplecrest, the Coliseum and some of the TIF bonds. They may choose to revisit it again this year but I don't know that they would adjust the rating on the two that are two years from being paid off. When they do it, they usually send us a letter saying what they have taken into account. With everything that we have, I could not see it going down.

Sharon Tucker: Nick, what was the percentage that would be moved over?

Nick Jordan: Of the \$19 million that is available to appropriate and you wanted to get the Rainy Day Fund to the \$15 million, you would need to move about \$1.7 million which is right about 10% of the \$19 million.

Sharon Tucker: And we would still have a large surplus which would give us no reason to move it back.

Nick Jordan: Not unless the sky fell.

Joel Benz: Nick, thank you for your work on that.

Nick Jordan: It is everybody and the County as a whole.

Joel Benz: I think many things are contributing to this but one of them is some of the difficult decisions that the three of you had to make a few years ago when the economy was turning down and things were not looking so good and Department Heads tightening

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their belts. Thank you for your work in the past on that. I guess we need a motion for approval of this.

Sharon Tucker: I make a motion that we approve the finance report as presented.

Bob Armstrong: Second.

Joel Benz: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. This morning, for appropriation in the General Fund we have \$107,575 and in Other Funds is \$328,595. At this time, I will open it up for any Public Comment on any of the issues coming before us this morning. I don't see anyone running to the front here so we will move on. Sheriff, you are the first one up here.

Dave Gladieux: I have three different things to go through and if it is all right, I would like to start with number three. It kind of explains number one a little better. I am requesting \$243,571 out of my 206 Fund to purchase additional vehicles. There is a little bit of history behind this. I have been around for 30 years plus and back when the Commissioners took care of this before Council did, it was always a \$300,000 mark that we always got. That mark has never changed and the cars that you guys now pay for the \$300,000 doesn't get me anywhere near replacing the number of cars that need to be replaced. What I was willing to do was dive into the 206 Federal Drug Seizure Fund and purchase twice as many cars as was planned. That will explain why I am asking for the Miscellaneous Equipment of \$64,790. That is for some additional cameras that are needed for those cars. We are purchasing as many cameras as we can out of the grant money that we get every year but that money is starting to deplete and I think I am getting two or maybe three cameras. I need an additional \$64,790 for that.

Eric Tippmann: Those are Federal grants?

Dave Gladieux: Yes, the JAG Grant that comes through every year. Years ago it used to be \$30,000 to \$40,000 and now I think I am lucky to get \$12,000. The \$64,790 was on our strategic five-year plan and we were told to come back and ask for it.

Joel Benz: I did have one question, too. All of these cars that you are talking about are replacement of existing vehicles.

Dave Gladieux: Yes.

Joel Benz: And for whatever reason they have reached the end of the line.

Dave Gladieux: We generally would try, early on, to replace a third of the fleet. As prices have gone up, we are not getting as many cars. Me, being the nice guy that I am, am willing to dive into my drug money and give \$243,571 to catch us all up.

Joel Benz: Councilman Harris, go ahead.

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Tom Harris: I like the idea that the bad guys are paying for the new equipment. Where does that leave that fund?

Dave Gladioux: I would have to defer to Nick. I am thinking it is somewhere around \$600,000.

Nick Jordan: You have almost a million dollars but are using some of it for...

Dave Gladioux: The K-9 Building and such. It probably takes it down to around six.

Tom Harris: While he is looking at that how many additional cars?

Dave Gladioux: I think I ordered twelve for a total of 24 cars.

Tom Harris: Do you ever get ahead of the curve from the number of cars that need to be replenished?

Dave Gladioux: No.

Tom Harris: This doesn't get you closer?

Dave Gladioux: It is going to get you closer for a year or maybe a two-year process but three years from now I have painted myself into a corner. I am going to have 24 cars that will be due to go.

Tom Harris: Are those cars going back into the fleet and stay within the County?

Dave Gladioux: If they are good enough, they can be transferred over to Community Corrections or something like that. We usually take some of the ones that are borderline and still pretty decent and take them to the Reserve organization or something like that.

Tom Harris: I was thinking that if you are getting ahead or we are getting ahead and replacing those sooner, those cars may still be of value to the County and some other departments.

Dave Gladioux: Ron goes through them and we always ask him which ones he thinks don't necessarily need to go to the auction. They would be used somewhere else in the County. I will say that the money, if they go to the auction, by Federal law the money that is made off the vehicles has to go back into the 206 Fund. I think we are eventually going to have to bite the bullet because of 30 years at \$300,000. It has been quite long enough. Someday I am going to have to come and beg and plead and jump up and down and say I need a little bit more money for cars.

Joel Benz: So the twelve new cameras that you are getting, did the old cars not have cameras or are they outdated?

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Dave Gladioux: That \$64,790 might buy six more cameras. We are still using cameras out of the old cars. We will strip those cars.

Sharon Tucker: But you are getting 12 new cars and you are going to take the 12 cameras out of the old cars is why you only need 12 now.

Dave Gladioux: Yes. We will use old cameras in the 24 cars. Some of them aren't good enough to keep just like the cars. If they are good enough to keep, we will refurbish them and make them work for another rotation.

Nick Jordan: You have \$605,000 budgeted for the K-9 Facility and you will probably have less than \$500,000 left if you spent everything and no new revenue came in.

Dave Gladioux: The \$600,000...

Nick Jordan: You already have that budgeted in there. I am just saying if you spent all of the \$605,000 for the K-9 Facility and you spent the \$243,571 you would have less than \$500,000 left.

Tom Harris: Mr. President, I can make a motion for approval of the appropriation in the Federal Asset Seizure Fund 206 in the amount of \$243,571 for vehicles.

Sharon Tucker: Second.

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

Dave Gladioux: I explained the \$64,790 for Miscellaneous Equipment but the other one is the Commissary Part-time. That is the money that I write the check for every year for the salaries of the part-time employees who fill the commissary orders. That is just a one-time thing. I think I wrote you a check.

Nick Jordan: Yes you did.

Justin Busch: I will make a motion for approval of the appropriations in the Sheriff's General Fund for Miscellaneous Equipment in the amount of \$64,790 and Commissary Part-Time for \$41,475 for a total of \$106,265.

Larry Brown: Second.

Joel Benz: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Building Department, come on up.

John Caywood: Good morning, John Caywood, Building Commissioner. I am coming today to ask for consideration of a salary ordinance amending the pay for Allen County Community Development Corporation with a range of \$11.72 to \$25. The reason for this

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is when I took over the Building Department part of this includes running the Allen County Community Development Corporation. When I was handed the reins from Dave Fuller, he indicated that about 40% of his time was spent managing ACCDC. With the jump in building permits, there is no way I can spend 40% of my time running that department and keeping economic development going by issuing permits in a timely manner. I knew I needed to hire some people with more experience. The previous person retired and was paid by contract at \$25 an hour. I brought in an individual from Ivy Tech's Business Development and had retired out of there with a lot of office organization experience. I needed to pay her a wage commensurate with her experience. She passed away in October and was making \$22 an hour. Her assistant, who is also bilingual, I am paying \$18 an hour. I need those individuals who are skilled to do that so that I am not spending my time over there managing things. When times are good like they are right now, things are not as good for ACCDC. People have the funds to pay their taxes and are not being foreclosed on and it is kind of in a dip right now. Previously, in the bad times, there were two full-time people and one part-time in the department and now I have two part-time people. The Operations Manager works about 30 hours a week and his Assistant works about 20 hours a week. That is the reason for the pay range.

Joel Benz: Does anyone have any questions on that?

Larry Brown: I think the other side of it that you explained to me is that these positions would be County positions and the accountability or transparency within ACCDC would be under the County instead of a standalone out there where nobody knows what is going on.

John Caywood: Correct. This is just one step in that progression. I have been working with the Auditor on this. Currently they are contract employees and they take care of their taxes, they have to pay employment insurance and workers comp. One of the first things I did was turned in my checkbook for ACCDC and put all of my funds under the control of the Auditor so that I don't buy a box of pencils that the Auditor does not know what is going on. I felt that was more transparent and appropriate to make them part-time County employees which bring them more in control of what happens under this Board right here. This will make ACCDC more on the path it needs to go.

Tom Harris: I will move for consideration of a salary ordinance amending the pay for ACCDC/Building Department part-time with a range of \$11.72 to \$25.

Larry Brown: Second.

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

John Caywood: I have to add too that our Auditor didn't toot my own horn for me. When he was reading our excesses in 2017 and our budget was \$1.8 million and for 2017 it looks like we took in about \$335,000 over that. It looks like we covered our budget with a third of that going over and back into the General Fund. That was without raising

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any fees or permit fees. With that I will probably be coming to you in the next few months asking for a few capital improvements to continue our success in the Building Department.

Joel Benz: Thank you, Mr. Caywood. Next on the agenda is the Cooperative Extension.

Vickie Hadley: Vickie Hadley, Health and Human Science Extension Educator and County Extension Director. There has been a lot of talk about the General Fund today. I am here for an appropriation. Two years ago when I presented my budget, I indicated in capital funds that we were going to begin replacing all of the office chairs for the County employees and educators. My plan was to do that in 2016, 2017 and 2018. When I presented this information back in late November or early December, Becky said they don't do this business in December and that I had to wait until January. I went to our supplier and got an estimate and worked with County Purchasing and they got two additional comparisons. You have all of that in your packets. I am here to ask for the appropriation so that we can go ahead and place the order.

Eric Tippmann: I am going to say that I am not going to support this. It is not because I don't support new chairs but because I just think the Cooperative Extension has run its course and should be off the County. When you hear a no vote, it is not about chairs.

Vickie Hadley: Okay.

Joel Benz: Are there any other comments?

Sharon Tucker: I am going to make the motion for the appropriation in the Cooperative Extension, for Furniture and Fixtures in the amount of \$1,310.

Justin Busch: Second.

Joel Benz: We have a motion and a second.

Tom Harris: I think I would like to add that some of the other departments have revenues that are up in a lot of different areas. We are going to anticipate that the revenues are going to be up in some of your Miscellaneous Revenue Funds. That will be a challenge for you. All indications are from an economic development standpoint and agri-business throughout the County that things keep going up. Look at your funding and revenues and such and we will anticipate revenues going up.

Joel Benz: All in favor say aye, those opposed, like sign. The motion passes 5-1(Tippmann)-1(Brown absent).

Vickie Hadley: I would encourage you that if you haven't had the opportunity to attend the Fort Wayne Farm Show, today is the last day. If you saw the newspaper this morning, we had 175 attend the Farm Bill session and had a lively discussion yesterday. In six weeks we have the Home and Garden Show. Our Master Gardeners plan all of those

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workshops as well and we look forward to another opportunity to engage with the Extension.

Joel Benz: Next on the agenda is the Youth Services Center.

Nick Jordan: I have this one, Council. You approved these positions in December and we don't do appropriations then. I have the appropriation to fund those two positions. They are being paid out of his Per Diem Fund.

Joel Benz: I do believe we discussed this pretty lengthily at the last meeting. Does anybody have any questions, at this point?

Sharon Tucker: I will make a request that we make the appropriation in the Per Diem Fund 737 in the amount of \$85,024.

Justin Busch: Second.

Joel Benz: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 6-0-1(Brown absent). Moving right along, we have Circuit Court.

Eric Zimmerman: Eric Zimmerman, Chief Probation Officer and Court Executive for Circuit Court.

Tom Fox: Tom Fox, HR Compensation Specialist. Adult Probation is requesting the creation of a Finance Coordinator position to oversee the expanding financial responsibilities in their department. This position will be responsible for all financial and budget related processes as well as grants, budget projections and analyses. We received the request for this position and realized we didn't have any job descriptions on hand and so we did a review of seven positions in the office and wrote new job descriptions. We determined that this new position of Finance Coordinator was warranted at a PAT 3. It was approved at a special Personnel Committee meeting on December 21st unanimously three to zero. Eric will give you more information on what this position will be doing.

Eric Zimmerman: As he stated, we are seeking a Finance Coordinator position to assist us in overseeing the auditing and oversight of all of the fees that are collected in Adult Probation. Additionally, this position will be the grant administrator for the Department of Corrections grant that we receive. Let me give you a little background of how this thing has evolved and how it has become an issue for us. Adult Probation began collecting fees in our office in about 1993. Previous to that we would send offenders over to the Clerk's Office to pay their fees. They are obviously located in a different building. We began collecting them in our office so that we would not lose the offender between our office and the Clerk's Office. As a result of that we went from about 25% collection rates to what we see now at about 67%. The fees we collect in Adult Probation range from Probation User Fees all the way to Public Defender Fees and restitution. Urine fees we charge to offenders that we urine test. The first year we collected those fees, I think

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our total bottom line dollar was about \$68,000. We collect about \$1.5 million now. If you have ever been in the lobby of the Probation Department, we have a Fee Clerk who sits right there. That Fee Clerk was hired and to make a long story short became the butcher, baker and candlestick maker. She collected the fees, balanced the books and reconciled the bank statement. When you are talking \$150,000 for the first five to ten years, there wasn't a lot of accounting responsibility. As the fees went up, so did those accounting responsibilities. Additionally, at the request and control processes in the Auditor's Office, in 2008 or 2009 they instructed us that you can't have one person doing all of those things. They told us we needed more control measures. Rather than coming and asking for more personnel, I took an Executive Secretary and put those balancing responsibilities on her. She is not trained in accounting. She is not trained in control measures. At the time it took only about 10% of her daily or monthly responsibilities. It is not hard accounting as most accountants would attest to. We flash forward now to 2014 and we needed to start collecting more money. We started to maintain efficiency in collecting our fees. We moved to a 24 hours a day, 7 days a week internet based collection process where offenders could pay fees anytime of the day or week. That helped us retain even during the economic downturn in late 2010 and 2012. It helped to keep our collection rates up. Long story short, the \$1.5 million, the average transaction is about \$48. That equates to about 31,000 transactions annually. There are a lot of transactions to go over at the end of the month. There is a lot of processing that needs to be done. If you are not an accountant that task is daunting. Additionally, as a result of all of these things, we were audited by the State Board of Accounts and we got some exception reports. We had more money than we should have. Money wasn't lost but the whole point is we had control process issues. Part of my solution in that is we implement a lot of control processes at the front window identifying mistakes and making sure we have someone who is an accountant and can understand and oversee how much money we have coming in and make sure it gets deposited in the right accounts. We want mistakes identified early in the process rather than going back over the last 30 days. Additionally, to keep our cash flow up, we had to start depositing every two weeks. We Quietus money from our accounts that we deposit daily to into the Treasurer's account every two weeks in order to meet our two-week payroll. While all of that was going on we also sought grants from the Department of Corrections. We got five new employees and five new Probation Officers. Once we get out of this accounting hole we are in, the other half of the job is going to be managing these grants and being more of a budget analyst. Currently my Assistant Chief Probation Officer is doing those tasks and those tasks have grown in oversight and accountability as well. I think this new person will enhance our ability to be accountable and will allow us to do some budget analyzing moving forward so that we can be more proactive in handling our money and seeking more grant money. I really believe this is going to fix our problem with the State Board of Accounts. I would be happy to answer any questions.

Tom Harris: Have you identified the person for this position already?

Eric Zimmerman: I have not. It is posted at the recommendation of the Personnel Committee. We so have some quality applicants.

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Tom Harris: That is what I was going to challenge you with to make sure it is just not someone in the department. Let's make sure they are qualified. All indications are with the State continuing to push people through Community Corrections as well as Probation, your world will continue to grow. What happens if people don't pay their fees? You said 66% or so have paid but what if they don't pay, what happens?

Eric Zimmerman: That is a challenge and is always a challenge. We are more proactive. We set the probation plan up to incorporate payments and fees. Number One, we expect it and we set them up on a budget. We have an opportunity to make regular payments that meet their budgets. If they don't pay, there really isn't much we can do if they don't have the money. It's called Willful Neglect. We have to prove willful neglect if they have assets or cash that they are not actually paying and hiding it in some form or fashion. We have a lot of intermediate interventions that we can use. Probably one of the most effective things we do is reward those that do pay through positive reinforcement. We can show them why it helps to pay their fees.

Tom Harris: There has got to be a correlation between fees being paid and the economy too. As more and more jobs are available, the opportunity for people to make sure they are maintaining and updating.

Eric Zimmerman: There is a little bit of a lag but certainly that is true. There is really no reason why someone who is able to work can't go to work.

Tom Harris: So those fees are going to increase as well as more people are going to be coming your direction anyway. Between the two, there is more work to be done in these roles.

Joel Benz: Councilman Tippmann.

Eric Tippmann: Since this person will be doing some of the things that other people were doing, will their jobs be classified down?

Eric Zimmerman: That was part of the ongoing analyzation by the HR Department. One of the things that we realized is that these were extra duties that were put on these employees, both of them without compensation. Kind of what this, in essence, does is that their jobs were never really classified with these duties incorporated. They were added on. To answer your question that is always a possibility and that is why this was done. What was the recommendation?

Tom Fox: When these positions were originally set at the levels they are, these duties were not a part of their job and so these have been added on since...

Eric Tippmann: As a Department Head, shouldn't you have come at some point and fought for your guys and reclassified them?

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Eric Zimmerman: In hindsight, you may be correct. I think at the time, if you look over the course of Circuit Court, our response to challenges is not more personnel.

Eric Tippmann: Or more pay for the current personnel is another way to approach it.

Eric Zimmerman: Could be, absolutely. I will certainly take that recommendation moving forward. I appreciate that sentiment.

Joel Benz: Councilwoman Tucker.

Sharon Tucker: Off of Councilman Tippmann, your Executive Assistant kind of encompassed some of those duties and were a small part of her job, like 10%.

Eric Zimmerman: Yes, it was a very small part originally.

Sharon Tucker: Then it started to grow.

Eric Zimmerman: I think as the accounting challenge has mounted, it became more confusing and even more troublesome and so it was kind of an exponential problem. It was too much for that person to handle.

Sharon Tucker: Earlier, Councilman Harris was asking about the fees and you mentioned the willful neglect. Is that just written off to the County then? What happens to those?

Eric Zimmerman: Generally speaking when someone is not able to pay due to legitimate reasons, restitution is automatically reduced to a civil judgement so if that person would ever come into money of some sort or another that has to be satisfied before that transaction can be made. User fees, depending on the individual, we try to reduce those to judgements, so if the person would come into money, win the lottery which has happened, these fees would have to be paid. They never go away. In some cases where people don't have the money, legitimately can't work, they are just zeroed out. That is on the probation side.

Sharon Tucker: So this role that you are asking for will be doing the accounting piece and what else will they be doing?

Eric Zimmerman: The grant processing. There is a lot of oversight with grant dollars to make sure you are meeting benchmarks that come with those grants. Both in the accounting world and I am more responsible for the performance measures but there are fiscal reports that have to be ongoing and maintained.

Eric Tippmann: Was part-time discussed?

Eric Zimmerman: Part-time was discussed even to the point of having someone come in and do the books at the end of the month.

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Eric Tippmann: An outside firm?

Eric Zimmerman: Potentially. A lot of those things, I think ultimately I feel a much better way to do this with the accountability standards being placed on probation through the State Board of Accounts, I would like to be in control of this person. Additionally with the grant responsibilities, I think that area is going to grow. We are going to start seeking more State dollars through this grant process. House 1006 is specifically what I am talking about. We have already seen where we are kind of reactive. We do the financial reports as necessary but we could probably do more proactively. We could move money around within the grant fund so that we don't have to give the money back to the State as unspent. I really see this as a win-win in both of those measures, not only to continue to get money from the State but also maintain our collection rates in Adult Probation. If we played this through and didn't have this position, we can't continue to collect fees in Adult Probation.

Eric Tippmann: Why is that?

Eric Zimmerman: Because I am not going to be responsible for the oversight of this and the Clerk would have to be. The net loss of that is that our collection rates would be going to go down and the total amount of money would be down. I would come back to Council for the \$540,000 that we pay annually for salaries out of the user fees would have to be made up in other ways. It is a complicated discussion for this morning.

Joel Benz: I want to clarify that a little bit. If you were to make that decision or we were not to approve this position, you would send that collection process to the Clerk. Part of the advantage that you have of having someone in house is the ability to collect the fees right when they come in. They would have to take an additional step and go somewhere else and we had that process before and you saw a much lower collection rate. Correct?

Eric Zimmerman: Correct. I want to maintain the maximum amount of money to offset the taxpayer cost.

Joel Benz: Councilman Harris, you had a point?

Tom Harris: I had a chance to sit in on the State Board of Accounts closing meeting and that was the recommendation that we needed to do something to get this fixed. I have also sat on the Community Corrections Advisory Board for a number of years and my concern for Community Corrections is that we have more people going through it but there was not an emphasis on collecting fees or maybe assessing fees and determining that fees might need to go up. I like fixing this system. This is a short-term but more importantly a long-term fix particularly based on the fact that we are anticipating more stuff coming from the Courts into there. I have been a long-term proponent of making sure the Courts are collecting fees and making sure those fees go up when they need to. This is a system fix that ultimately will help the County and the people that violate laws

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are held accountable to pay those fees and somebody is following up to make sure they are paying those fees. I am in favor of it.

Eric Zimmerman: Thank you, Councilman Harris.

Joel Benz: Councilwoman Tucker.

Sharon Tucker: You said that you had found where we erred to the positive for the County, what happens to those funds? Do they go back into County General?

Eric Zimmerman: I am not sure but I think the issue is that they are accounting errors. It was not so much that there was money there. I think this person could find where those errors are and systemically understand moving forward what we have and fix it. I don't know that there is actual money there and that is part of the issue.

Eric Tippmann: My question is for HR. How are we advertising a position that hasn't been budgeted yet? That is a ton of effort that has been wasted by applying for a job that doesn't get approved and you put it on a website.

Tom Fox: At the suggestion of the Personnel Committee, we did that to save time because the position is so badly needed. Beginning the budget year, it was felt that the position should be onboard. The interviews have been conducted with the stipulation that this position has not been approved by Council yet.

Eric Tippmann: So you have already interviewed.

Eric Zimmerman: We have not interviewed. We have posted the position.

Eric Tippmann: He said you have interviewed.

Tom Fox: I am sorry, I didn't know at what point the process was. We have posted it with the stipulation that the position has not been approved by Council yet.

Joel Benz: In the Personnel Committee, we felt like there is a fix that needed to happen. I don't think it is wise for the County to have the State Board of Accounts breathing down our necks. They recommended a fix and the Personnel Committee decided to move this forward. At that time we told Mr. Zimmerman to at least post it and move forward because if we approve this today he can get that person in place much more quickly rather than letting this problem continue to roll down the tracks.

Eric Tippmann: Your budget is \$1.5 million?

Eric Zimmerman: We collect about \$1.5 million.

Eric Tippmann: An outside accounting firm to oversee that budget and sign a monthly contract and come in. I am a big fan if it is in the phonebook we should be using those

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people in the phonebook rather than doing it ourselves. That might be a Mitch Daniels' quote.

Eric Zimmerman: I think probably the people in the know, Nick, I think you will probably pay more than \$50,000.

Eric Tippmann: Perhaps but we don't pay for their healthcare, PERF or a lot of other things.

Eric Zimmerman: Again that is certainly a solution that could be explored. I thought this solution was the best.

Joel Benz: Councilman Harris.

Tom Harris: I will move for consideration of a salary ordinance establishing the pay for a Finance Coordinator, PAT 3/2, \$40,864, 37.5 hours a week and non-exempt.

Bob Armstrong: Second.

Joel Benz: **We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 5-1(Tippmann)-1(Brown absent).**

Eric Tippmann: Eric, you are my favorite Department Head so that doesn't bode well for other people.

Joel Benz: The final thing on the agenda is the appropriation reduction in County Council General Fund.

Nick Jordan: All you are doing is, we have budgeted \$800,000 in your Capital line and for the Sheriff's miscellaneous equipment and the Cooperative Extension's chairs and we are simply taking that out of your Capital line.

Tom Harris: I will move for the appropriation reduction in the County Council General fund in the amount of \$66,100 for Other Capital.

Justin Busch: Second.

Joel Benz: **We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 6-0-1(Brown absent).** At this point, we do have a little bit of a discussion. The first thing I wanted to bring up was the liaison appointments. I had reached out to Councilman Armstrong and the Data Board and iMAP Board are both Commissioner appointments that have historically been passed onto us. The thinking had been that there would be some budgetary things that would come to Council, Both of those Boards are part of the IT Department and Ed has historically handled any appropriations that they needed. They asked if they could have those appointments back to place someone who actually understands and uses that every day. I know Councilman

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Brown said that he had sat on that Board for a while and felt out of his league. I told them it would be fine with us and Bob is still going to be representing them with his liaison appointment to the IT Department but I think this is a better process. Also, along with that is that we have an additional one, Veteran Services. They have not historically been a Council liaison and Becky went ahead and put that one on as an additional one. I think it is to facilitate a little bit better communication back and forth. Does anybody have anything further on the liaison appointments? We have a couple of Board Appointments. The PTABOA is still in the process of searching for a replacement. They hope to have someone next month. Former County Councilman Bill Brown has served fairly admirably on the Library Board. Last year he indicated that he would like to step down and only serve one more year. At that time, Councilwoman Tucker said she would be interested. Is there anybody else who is interested in being appointed to that Board?

Eric Tippmann: I am interested in Councilwoman Tucker doing it.

Bob Armstrong: Second.

Joel Benz: That sounds like a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 6-0-1(Brown absent). Do we have any liaison reports?

Eric Tippmann: I still have some discussion. The way we roll out the agenda here, last fall there was a poignant point where some underling came from the County Extension for \$900. ACJC had their top four people here requesting to redo their entire department and sat here for 2½ hours wasting ten man-hours plus to get to that business. It doesn't seem like a good way unless you are stuck with numbers. I wonder if we could be more conscientious of people's time and get through these items in a different way.

Joel Benz: Or put a threshold in at a certain amount such as under \$1,000 or \$1,500 you don't need to come forward and make it a recommendation.

Eric Tippmann: I would raise that to \$9,999 and let the liaison do it or something like that. Just the bigger items and people are aware that sending their entire staff?

Joel Benz: That is a good point. Historically we have just gone by department number. I don't know if there is a really good way for you to sort that out.

Nick Jordan: I am not going to prioritize what you guys think is important or not important. If you want to set a dollar threshold, we can do that. The departments are in numerical order. If the liaison reaches out to the department or I have no problem doing it if it is a noncontroversial item that you have already approved in the prior month, they don't need to be here. Sometimes you can't prevent people from sitting out there or bringing their entire staff. If you want to prioritize it, what we can do is send the agenda to you, Joel and Justin, and you can say "Put it in this order" prior to us sending it out and that way it would be to your approval. I don't want to pick and choose what you think is a

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priority. Just like today, if you think ACJC was here and was more important than the Sheriff, at any given month you could have that conundrum of taking people's time.

Eric Tippmann: We can do it ad hoc here.

Nick Jordan: There is nothing to prevent you from doing that.

Sharon Tucker: We don't control how many people they bring. If he brings one or two, it is going to take the same amount of time. I am not disagreeing with you like the threshold on the chairs today. That is something that we could have taken care of. I don't think it should be based on the fact that they brought half the staff. That is their bad management. We have to give each one their fair share of time to talk.

Eric Tippmann: Their time is a County resource.

Sharon Tucker: That is not based on us because we didn't ask them to bring the four people. Even when I met with ACJC as their liaison, I was surprised to see the entourage of the people that we here because it was supposed to just be Jamie Mann.

Tom Harris: Conceptually, I agree with you. The concern that I have is that sometimes out of sight, out of mind. There are reasons that some Elected Officials want to come before us. I think if we could set up a system, I agree that the liaison can provide some of that input but I would hate to set some kind of a threshold.

Eric Tippmann: The poignant example was when you had the \$900 and the several thousand and Judge and staff. They weren't poorly managed because he needed all of those people here to probably answer questions. I wouldn't throw it out that Judge Heath was poorly managing his department that day by bringing half his staff. That is a big deal that they are reorganizing and they needed to be here.

Justin Busch: In their defense, they really don't know what kinds of questions may come and are going to need their staff because they are the experts. I kind of understand why they do that. I do like the point of relying more on the liaisons to dig deeper into the matter before they come. Sometimes I feel that like on the Personnel Committee, there are a lot of things we talk about the three of us have already hashed out and talked about it. I think we should rely more heavily on personnel to say precisely why it was three to zero and put more confidence in our Councilmen and Councilwomen to make good calls.

Eric Tippmann: The worst-case scenario is that it gets tabled for the next month and they come back and answer the questions. It is not going away into the ether. It's coming back.

Joel Benz: That is a good point. I do think there are several good points here. Let's send out an email and say that if you have a minimal request, we don't require your presence and are happy to have the liaison discuss that. Obviously they are always welcome to come.

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Eric Tippmann: Or it could be tabled until the next month. It is not getting disapproved. We are not like that. Just because we don't have our answer means that we are going to say no.

Joel Benz: Secondly I think the email could include something along the lines of the Council President will take the time of the individuals appearing under consideration and possibly go out of the order of the agenda.

Tom Harris: So if you have fifteen people from one department, bring them up first so they are not sitting here for 2½ hours.

Joel Benz: We can handle that on a case by case situation.

Eric Tippmann: You can put a dollar amount on what it cost for them to sit here that morning.

Justin Busch: It also puts the onus on liaisons when the agenda comes out to see if you do have something on the agenda to please call or talk to that department to see if we have better knowledge before the meeting. I have one clarification. The Library Board is a four-year appointment. Is Councilwoman Tucker finishing Mr. Brown's term?

Becky Butler: Yes, finishing it.

Joel Benz: Additionally, the Personnel Committee which has some new members on it provides a written recommendation that can be read at this Council meeting is probably wise and in addition, whatever the vote was. That way, when you get the agenda you can see what the Personnel Committee's thought processes were.

Eric Tippmann: Wise and transparent.

Joel Benz: Is there any further discussion?

Sharon Tucker: Do we have to take a vote on the letter going out?

Joel Benz: That is just at our discretion. I feel there is a consensus there.

Justin Busch: Approval to waive the reading on any matter approved today for which it may be deemed necessary for the County Council meeting of April 21, 2018.

Sharon Tucker: Second.

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

Justin Busch: Move to adjourn.

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Sharon Tucker: Second.

Joel Benz: All in favor please signify by saying aye. Opposed like sign. The motion carries 6-0-1(Brown absent). There being no further business the meeting was adjourned at 9:42.