

ALLEN COUNTY COUNCIL MEETING MINUTES
JULY 16, 2020
8:30 AM

The Allen County Council met on Thursday, July 16, 2020 at 8:30 am in the Chambers at Citizens Square. The purpose of the meeting was for additional appropriations, transfer of funds in excess of the current budget, grants, budget approval and any other business to come before Council.

Attending: Robert A. Armstrong, Joel M. Benz, Sheila Curry-Campbell, Kenneth C. Fries, Tom A. Harris, Kyle A. Kerley and Chris Spurr.

Also Attending: Nick Jordan, Auditor and Jackie Scheuman, Finance and Budget Director

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. We are going to hold the Auditor's financial report until the end of the meeting because he has some more in depth things that he will go over. We have some other things to move onto this morning. Total appropriations requested in the General Fund are zero dollars. Requested in Other Funds is \$193,256. I would like to welcome Mr. Spurr this morning, our newest addition to Council. We look forward to working with you. The things that lead to this are very unfortunate and hopefully retribution has been made and we can move on.

Tom Harris: Move to approve the minutes from June 18, 2020.

Sheila Curry-Campbell: Second.

Joel Benz: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. First item on the agenda is the Board Appointment Update to the PTABOA Board. Do we have a couple of representatives here?

Mike Clough: Michael Clough.

Patty Tritch: Patty Tritch.

Joel Benz: Thank you both for being here. Please go ahead.

Mike Clough: I guess in general, the Board meets in summer, fall and early winter twice a month because that is the majority of our business time. In the late winter and spring, we don't have as much work and is more on an

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as needed basis. The reason for that is the cycle of assessment. In April, the notices of assessment go out which starts a 45-day window of appeal. During that period of time, the County and Township assessing officials work with the taxpayers on an informal basis and if they can't agree then it comes to the Board. There is a period of time that we don't have much business. That is kind of where we are at right now and today is our first meeting. Starting today we will meet twice a month again. We will wrap up as much as we can and that generally happens in January because we are required to hold a hearing, if possible, within 180 days of the taxpayer filing an appeal. We try to be as efficient as we can.

Joel Benz: For our new members here, you are our appointments to that Board. I think both of you have served in that for a few years.

Mike Clough: Four for me.

Patty Tritch: This is my third year.

Joel Benz: I know when we have had to change over it is not an easy process so I appreciate you being there and being willing to serve. Councilman Harris.

Tom Harris: You might want to mention what the Board is and what you do overall.

Mike Clough: We are responsible for when a taxpayer appeals their assessed value which is the basis for their property taxation. If they disagree with the market value and use of that property that is the channel that they use to appeal that and they feel that the property value is different. They go to the County or Wayne Township Assessor and file an appeal. They discuss it with them and it is an informal process and if they can reach an agreement then it comes before us. We weigh the evidence that is presented on both sides and determine a fair and equitable and accurate market value for the property.

Joel Benz: I have a general question on that. How many of those homes are rentals or commercial properties versus a homeowner?

Mike Clough: I can't really answer that. I would have to get some data to answer that.

Joel Benz: That's fine.

Patty Tritch: There seems to be a lot of commercial properties. I don't think it is half but maybe a third.

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Mike Clough: It is kind of hard to say. We only see the ones that come before us. We don't necessarily see all of the appeals and are settled before they come to us. I think we see a pretty good mix of just about everything.

Kenny Fries: I have a two-fold question. When you say you have 180 days to get the hearing, what happens if it doesn't happen within 180 days? The second question is since it is reassessed every three years, are you guys seeing a big increase or decrease because it is assessed more often?

Mike Clough: A decrease in the number of appeals?

Kenny Fries: Yes.

Mike Clough: I would say since I have been on the Board the values are getting more and more accurate because it is happening quicker and we are keeping up to date with the market. I would say generally it is decreasing. I am not sure what will happen in the future because we have seen some fluctuations in the past year or so. Assessed values are based on the prior year's market data. It is not quite as up to date as it could ideally be. I few do not hold a hearing within 180 days, they can go to the next level which is the State and they bypass us. They can file an appeal with the Indiana Board of Tax Review.

Kenny Fries: In the interim, as this process is going on, they pay the property tax that is assessed and then they get a refund or how does that work?

Mike Clough: They pay and if the appeal goes down, they get a refund.

Tom Harris: Maybe the last point, you have may have already made it for the biggest challenge for the Board. What is the biggest challenge?

Mike Clough: That is a good question. I feel that we do a good job of this but I would say just making sure that we remain consistent, fair and equitable. That is our main goal.

Patty Tritch: We have an attorney on the Board and she goes back to prior cases.

Mike Clough: She will keep us up to date on case law.

Tom Harris: You have indicated that you are caught up and doing pretty well with those cases at this point.

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Mike Clough: Yes. We are up to date at this point and back into the appeals season.

Joel Benz: Council, is there anything else? Thank you for your service and we appreciate it. The next thing on the agenda is for Community Corrections because they have some other meetings this morning. We are going to have them come forward.

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

Kara Simonoff: I am Kara Simonoff, Human Resources Generalist. We are here for the reclassification for the Senior Security Officer from POLE 4/7, \$61,624 to POLE 5/7, \$72,716, 40 hours and non-exempt. This position was approved at a special Personnel Committee meeting last month. As requested, this position was approved by HR and due to the increased level of responsibility and supervisory responsibilities HR supports this increase. I will take any questions if you have them.

Kim Churchward: I would also like to thank you for seeing us early on the agenda in deference to our Board meeting.

Tom Harris: This is the senior position? It says senior but there is nobody else higher in the security?

Kim Churchward: That is correct.

Tom Harris: We talked the last time and I want to clarify that this position will have responsibility over the new facility and over the existing facility.

Kim Churchward: Right and the addition of the second facility and a 50% increase in staff and a second software system because the two facilities will be operating on separate software systems.

Tom Harris: I will move for consideration of a salary ordinance reclassifying the pay for the Senior Security Officer from POLE 4/7, \$61,624 to POLE 5/7, \$72,716, 40 hours per week and non-exempt, retroactive to 5/21/2020.

Sheila Curry-Campbell: Second.

Joel Benz: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 6-1(Armstrong). The next item on the agenda is the Drug and Alcohol Consortium.

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MaryClare Akers: My name is MaryClare Akers, Executive Director of the Drug and Alcohol Consortium. We are here to ask for approval of the Drug Free Indiana funding that is collected through the Police Department charges and court fees associated with OWI's and Drug Interdiction charges. If you look in the folders that we handed out, on the right hand side there is a sheet that has some blue lines on it. These are recommendations from the funding committee that are approved by the Board and the Indiana Criminal Justice Institute who is the agency that works with this funding and technical assistance for these dollars. On the left hand side of the folder is the yellow bar sheet and this is the collections information that shows over the years what has been collected. There are differences across the years that make sense for those particular years. For right now we are on par for 2020 to be just about where we were in 2017 but we are behind numbers for 2018 and 2019. Our year-to-date collections are a little behind than what we thought but we anticipate the COVID has impacted our numbers going forward. As of now, for this year, we are about \$20,000 less to grant out than we were in previous years. This year's amount is \$158,566 and last year we were able to grant out \$180,350. The way this works for those that are not familiar with it, we have a community plan with the Indiana Criminal Justice Institute and in that plan we divide our dollars in four ways per State statute. The administration of the funds which is the Local Coordinating Council as Drug and Alcohol Consortium has 25% of the fund. There is 25% that goes to prevention efforts, 25% go to Criminal Justice and law enforcement efforts and 25% goes to intervention and treatment efforts. Do you have questions on how those funds are divvied?

Tom Harris: Are these funds mostly coming from the State or Federal or both?

MaryClare Akers: The funds come from the Court fee charges for drug interdiction and our law enforcement. They are local funds that are in the State statute to come back to the Local Coordinating Council to distribute.

Tom Harris: Some of that could have resulted in slowing down in the Courts or not from this year?

MaryClare Akers: I think that the measures being taken throughout the law enforcement system to be more likely to divert or defer individuals to treatment as opposed to...Some of the people will go through Drug Court and Community Corrections and often those individuals are not having the same court fees because they are completing different programs that help the individual stay out of the system. Those individuals don't have the fees come through to them. Those efforts have been increased and we are happy to get less money if it means less people are operating while intoxicated and doing

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drug business on the streets. When we see the numbers go down, we are not necessarily upset although it does hurt the overall budget of the Allen County Drug and Alcohol Consortium. It is a significant portion of our funding but we also make sure that we are well funded by Federal, State and private entities. The State Department of Health, Department of Mental Health and Addictions and a small grant from the Federal government called the Drug Free Communities Grant which helps develop programs.

Tom Harris: Overall trends in the community better or worse or the same?

MaryClare Akers: Pre-COVID I would say that trends are a little better. Since COVID and the lockdown, we have had more overdose deaths in our community and less overdose resuscitations. The reason we feel this is we have a really good system of making sure that Narcan is used by Police, neighbors and friends to reverse the overdose. When we are in lockdown, there is nobody reversing if they are alone. The issues we are having with the increase of deaths are related to people not actually having someone there to bring them back. The decrease in the number of resuscitation is the same. They don't have someone to call to bring them back. It is not looking great for our community right now because of COVID. We understand the restrictions and the necessity of those but we hope we can get out as much as possible. We work with the Department of Health here as well to make sure that they have the supplies they need. We can assist them with training on Narcan and connect different entities of the State to get the supplies that they can hand out when people come through for the needle exchange program and things of that nature.

Sheila Curry-Campbell: I have a question. Some of the grantees, I used to be a part of DAC back in the day and it looks like the very same names are here. How do you recruit new people? We are talking about ten years ago and this list is the same group of people. How do you recruit other folks to apply for the grants for the drug prevention programs?

MaryClare Akers: For the prevention area, probably half of those are new in the last two or three years. As far as the Justice system, those are pretty much the same every year because of the restrictions of the grant for the different entities. The Police Departments, AADP, Jail Chaplaincy and Juvenile Probation are going to be the same unless we expand our law enforcement efforts. For prevention, we have some at the top of the list that tend to come back year-after-year for that funding because they are pretty reliant on the little funding that we can give them. We try to recruit new programs and more evidence based programs within those systems so they can continue to grow but this year we probably only had four of our grant applicants within this funding allowance that were new to funding requests

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from us. We don't get a lot and we didn't get a lot especially because this was released right before COVID hit. We didn't have as many which was a good thing because we had \$23,000 less dollars. We try to make different efforts to recruit. Our member base has drastically increased and our attendance at meetings on Zoom has increased greatly in the last two years. Our buy-in to our Youth Coalition has really gotten pretty intense. We have a 106-member Youth Coalition that is working together and have named them Our City, Our Voice. We don't see a lot of differences in the Justice system because that is how that works. County Intervention Scholarships, since those are kind of a different bag, are \$300 individual scholarships to get individuals into treatment or recover residencies. Those are different people all the time because we have different residences coming up and needing that assistance. Does that answer the question?

Sheila Curry-Campbell: Not really but that is okay. I just think we need to be reaching out to other folks and some of the people on this list have plenty of money. I understand they are running a drug program but I think we need to reach out to another demographic of people. Some of these people are repeats for ten to fifteen years of pulling from the same pot. What kinds of results are we getting from them? Thank you. You don't have to respond. Thank you.

MaryClare Akers: I would be happy to sit down and talk about it if you have ideas.

Tom Harris: Thank you for all of the work that you are doing. I will move for the appropriation in the Drug Free Communities Fund 745 for Program Grants for \$158,566.

Kenny Fries: Second.

Joel Benz: 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 a presentation from the New Allen Alliance regarding all of the things they have been doing over the last few months.

Barb Smith: Good morning, I am Barb Smith and I am the Vice President of the New Allen Alliance. We thank you for giving us the opportunity to bring you up to date on the great things that are happening in rural East Allen County. A little history for Mr. Spurr who may not be familiar with New Allen Alliance, back in the 1990's businessmen from the seven towns that make up East Allen County School District got together to talk about economic development and helping the small rural towns. We got a couple of grants from the USDA for revolving loans to help the small towns and for many, many years every month they got together and talked about

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challenges and successes in the small towns. We were a very well-kept secret. It was the only organization that I am aware of that I got involved in about ten years ago as the Leo Rep from the Chamber that brought together people from all of the towns to sit down and help each other. It was very fulfilling. It was all grassroots and all volunteer and has continued for many, many years. A few years ago, under the direction of Kent Castleman who you would normally be talking to, we started looking more at the economic development growth in the small towns because small towns can't afford to have an economic person. We took on that role thanks to many, many people who were at the table and includes Mr. Harris, the Commissioners, all of the utilities, higher education, Regional Partnership and many people at the table that came together saying we need a strategic plan. Thanks to the Commissioners in collaboration with us, we were able to hire Kristi Sturtz to help us with a strategic plan called the Rural Revival. That ended up winning a national award. When that happened then New Allen Alliance was not the best kept secret in town and people started recognizing who we were and what we could do. We started recognizing how important that collaboration is. From there, it just so happened, the next year after we won the award the Office of Community and Rural Affairs and the Stellar designation. The new rules were instead of the town applying for Stellar designation, it had to be a collaboration of at least two towns. Here we were and we had already done that with seven towns. With Kristi's help and thanks to many different organizations that helped us be able to afford this, we are a large area but we don't have a lot of money and so we have to depend on other towns and people to help us. We put together a Stellar designation which we want to thank you for. You put some skin in the game. The Commissioners put some skin in the game. CIB put some money in. We were lucky enough to be one of two regions that won in 2018. The four years that we are in the middle of now, there are numerous projects going on in each of the towns that for many years would have been pipe dreams. Now, thanks to all of the help from everybody that has come to the table, these projects are moving forward and we are really thankful and very excited. Today, Kristi is going to bring you up-to-date on what all is going on in the New Allen Alliance towns.

Kristi Sturtz: Good morning, Kristi Sturtz with Sturtz Public Management Group. I am under contract with the New Allen Alliance and each of the communities pay in and is matched by Allen County. I just want to give you an update and overview of where we are in our Stellar designation. One of the first things I would like to mention is that we have gotten some national attention for our planning. We did find out this spring that we were considered a case study through the American Planning Association for New Ruralism. It is one thing to plan well and it is another to actually implement. That is what we are in the middle of right now and muddling our way through. As Barb had mentioned, we received the Stellar designation in 2018

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and it ran 2019 through 2022. As part of that designation, included in our regional development plan was a portfolio of close to \$65 million worth of quality of life projects. This is a collective action initiative where the communities each have their own individual priorities that roll up into overarching priorities for the region. There is a breakdown here of a number of different entities that have put into this pot. You can see that Allen County had close to \$9 million that they have committed through the Commissioners, Council and the Allen County Fort Wayne Capital Improvement Board for the projects. Within the designation about one-third of them are receiving funding through the State of Indiana. The State money is actually Federal money. What they do is take Indiana Department of Transportation funds, the Office of Community Development funds, IHEDA funds and they target that investment within areas. We decided there were target areas within each of the communities that we wanted to see transformational change. As we are working on that our goals are economic sustainability, regional vitality and livable communities. Some highlights of the investment that are occurring are Parks and we are really focusing on quality of life in these communities. As we look at Allen County as a whole, one of our greatest assets is diversity. You can live in inner-city Fort Wayne and you can also live in rural and suburban areas. We are really trying to upgrade and enhance the livability of our rural areas. Monroeville is the first to get off ground. They actually received a grant through Land and Water Conservation funds that they match with their funds along with some Commissioner dollars that went into that. There was a million dollar investment into their park that was completed this spring. That is their Riverfront and their downtown. It is great to see the splash pad and the new swings and all of that. East Allen was identified as having a deficit of recreational land and that is part of where the County is stepping in assisting some of the small communities that are willing to continue to maintain these assets, Harlan and Hoagland are both unincorporated communities in our group and the Commissioners have stepped to the table and they are working with them to upgrade their parks. Hoagland is also receiving some streetlights. Those projects have been developed. They are under routing right now and we are looking to see them under construction later this year or into the beginning of next year. New Haven Community Center Park, you have likely been to the New Haven Community Center and they had put a couple million into that facility. We are looking at another couple million that will go into a park that is just behind there. We are looking at splash pads and pickle ball courts and playgrounds. This area of investment is the target area in the Meadowbrook area. Meadowbrook is a lower income with a high number of seniors in that area. There is low walkability in that area and was just an area where the community wanted to put some investment. With the elementary school going out and the pool going out this will be great for them. Woodburn is working on their planning and would like to do something

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similar to Monroeville. There are lots of park investments will be going on or are underway. Here is a rendering of the New Haven Community Center Project. They have about eleven acres and we will be looking at some development there. They also have future plans for Phase Three that is not really in the portfolio but I wanted to highlight a little bit. They have a Fieldhouse planned if they can get the money aligned within the next five or so years. That would be another great regional asset. Next we are focusing on downtowns within the region. Leo-Cedarville is actually getting ready to get started on their downtown streetscape project. They have received award on that and are ready to go. Grabill is just getting their development going. If you are familiar with the Bank Block in Grabill, it has transferred ownership. It had been in the Souder family for a number of years. It has now been purchased by a local businessman. There is some private investment that is going to be going alongside of the streetscape investment there. As you look at Leo and Grabill, there is a lot of synergy. In addition to both of the downtown investments we are doing a trail that will connect Metea through Leo. There is already a segment to Grabill and up to the Hurshtown Reservoir. It is about an 8-mile trail in total complemented with those two downtowns and the investment there. If you have been to Woodburn lately, they have had a recent streetscape and are going to keep on with that. Sidewalks and trails are big priorities. As I mentioned the Cedar Creek Trail also New Haven will have some trails that will connect there. New Park down through the Meadowbrook neighborhood over to Moeller Road and along Moeller and there are about 2,000 residents of their 15,000 total can have connectivity all the way into downtown and ultimately with the River Greenway. Within each of the communities, it may sound like a simple thing but sidewalks are important to get people to parks and downtowns from their neighborhoods to where they want to go. There is a big project on Landin Road that New Haven is working on as well. In addition to some of the construction projects, we have some other initiatives going on. One is collaboration with the Summit City Entrepreneur and Enterprise District. This is a new district that was formed with the UEA. They have put together a Build Institute Business Planning classes. It is entry level planning for people who are considering what they need to do. You pay \$175 and you get 27 hours over nine weeks of instruction, access to attorneys, accountants and marketing folks. At the end of that you are poised to develop a business plan. There were 14 that went through at the New Haven Community Center this past year and they are kind of moving to the Zoom call model given COVID but we are encouraged about that ongoing relationship for entrepreneurial development. In regards to additional education and training, East Allen Career and Tech Center is near completion. This is part of East Allen County's overall initiative but they are locating in the Meadowbrook neighborhood at the old Meadowbrook Elementary School. I am not sure how they are handling everything with COVID. The original intent was to get this

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up and rolling as of August of this year. They are going to be focusing on automation, robotics, cyber security, health sciences, precision machining, instruction trades and pharmacy tech. They did get one of their programs up and running early through collaboration with Fort Wayne Metals. Kids can get dual credits for their work there and they are accepting 200 students annually within that facility. Regional Vitality is an ongoing thing. We want to continue, as we are doing all of this investment, on how the communities are being activated. We have become more active on social media and on our website. If you haven't already, I recommend you like us on our Facebook page and check out our website for any of the planning information. We wanted to get into a little more capacity building that COVID has impacted a bit. We will work on that. We are gearing up for a place-making initiative where each of the communities will do a mural that will solidify this investment and initiative within their communities. As far as Livable Communities, we have a \$15 million housing investment that is going on in the middle of the Meadowbrook neighborhood. Again, it is connected to the trails and the park. This is part low income housing tax credits for seniors. It will be duplexes and Keller Development is the developer. They are under construction and have received their award. The first phase is going in now which is approximately 50 units. The second phase will be an additional 50 units for an additional \$7 million and is likely to occur next year. In addition to that we have the owner occupied rehab program working with Brightpoint on that. Finally the HEAL initiative that is with Parkview and St Joe Community Health Foundation on nutrition classes. The one thing we would like to request your consideration of is we have had conversations in the past about the potential for façade grants. I know the Council has considered that. I will say that given where we are at with construction, Leo is going on their streetscape right now and I had mentioned that there are some things going on in Grabill. Now is a good time to complement what we are doing. I can't speak for all of the businesses but one thing I think we are seeing within the region is resilience. A lot of the businesses don't have a lot of debt. Many of them are able to pull back and use some of their families to support them. There is also some local support because that is what is there. I can't say what is going to be happening over the next six months but we are seeing continued resilience in these communities which is what we want and some interest in investment. The one thing I would propose if you are considering this, we would be happy to do some level of intake to give you a better understanding of the level of interest there may be, if you would so desire in the development of that program. Thank you.

Tom Harris: I want to say congrats to Barb in your explanation of everything that has happened. That was a beautiful summary. Thank you both for your leadership in the communities. As we have all talked about it individuals like you that are making things happen. Thank you for your continued

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leadership. By the way, for new Council members, this is a little bit of an experiment in the State of Indiana. Generally when it came to economic development, the concept was jobs and always about jobs. They decided a number of years ago to start giving communities money for quality of space or quality of living projects and let's see if that helps to drive more people to northern Indiana. This is a little bit of an experiment to see how this plays out. A question for you, is the funding coming through the way that it needs to? Sometimes these things get started and then the funds don't come. Is that happening okay?

Kristi Sturtz: I will say when you look at the four years, part of the reason they give us that amount of time is because it takes time to develop federally funded projects. You have the environmental to go through and any site control hoops and so forth. You are going to start seeing more and more construction on the ground coming in the next few months. I got a call from the State of Indiana back in March because we were a little concerned because of COVID and the budgeting situations. We were reassured that this program has stayed in place from the State of Indiana's perspective. They have to go through a consolidating planning process with HUD to get approval for their portion of the federal dollars and we were included in this year's plan for that. I will say that the program for any new Stellar applicants has been halted and I feel that is more pressure on us to show the proof of concept for us and that it is working. This is a designation which is a set aside of funding. We have to go through the normal hoops for each of the applications which means we are not under contract for the full amount. I am really pushing the communities to get the projects developed so they are under contract to assure the money is still going to be there.

Tom Harris: Would you say that is your biggest challenge?

Kristi Sturtz: Maybe moving from a four year to a two-and-a-half to three 1 year just to make sure we get locked down on where we are things. I will the communities, because they have matching dollars, have done a good job of setting their money aside and accruing those dollars. I have not received any feedback from anyone that says they no longer have the funding for this project.

Sheila Curry-Campbell: You are doing great things and your presentation was awesome. I just wish you all of the success. This is awesome what you are doing out there. Thank you.

Joel Benz: Councilman Kerley.

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Kyle Kerley: I was just going to update you that we have been, since last year, working on the façade application program with the County Planning Department. We actually have a meeting today. Things did get slowed down because of COVID. We had hoped to have it finalized by first quarter but obviously COVID happened. We have a meeting set for this afternoon. Ms. Curry-Campbell's predecessor, Sharon Tucker, worked diligently with us on that program. I would like to thank her for her efforts and hopefully in the next meeting or two we should have the process finalized so that we can bring it fully before this Board. The plan all along was originally to fund projects for construction in 2021. That is kind of the timeframe we are working on.

Kristi Sturtz: The one thing you may want to think about considering, just from my work with rural communities, it takes a while for things to get caught on and for people to feel comfortable. Maybe even a consideration of a pilot of three years just to give enough time to the communities.

Kyle Kerley: We had set this up kind of as a pilot. Obviously we have to discuss the funding amount and see how much was applied for and how much was used. Just with building codes and things like that and identifying areas that could be eligible et cetera. It has been a time consuming process.

Kristi Sturtz: Thank you for that.

Tom Harris: One other comment, I just anticipate the reactions of the communities that they are ready to grow. The concept was that these investments would happen with the mindset that we were going to grow those communities. That comes after some of this comes to play.

Joel Benz: Thank you, ladies. Next item on the agenda is going to be Economic Development. They have a number of resolutions to consider.

Rachel Black: Good morning. Rachel Black, Allen County Economic Development. I have quite a few items on the agenda today but I want to make a general statement concerning the first two items that we have. We will be discussing these two different projects. They were originally a State lead given to Greater Fort Wayne, Inc. Mr. Dave Noggle is here with it us and he had been working with Greater Fort Wayne since last year. We are really excited that they have chosen Allen County to relocate both NuTek Industries and Eversharp Packaging from Michigan and Illinois to Lincoln Industrial Park. These two companies are planning to locate under one roof but will be keeping their employees and businesses separate. That is why we asked Mr. Noggle to submit two applications. With that being said, would you like me to go over both applications and general information? Or would you like me to do them individually and have him come up between each time?

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Joel Benz: I think both are appropriate.

Rachel Black: I am going to get started on the agenda with the first one. It is NuTek Industries, LLC. They are a major supplier of diamond blades to the power tool industry. The proposed project involves an investment of over \$448,000 in personal property. The installation is expected to begin in August of this year and be completed by December of this year. The company plans to create 18 new jobs with salaries around \$393,000. Based upon the review system, the company is eligible for a three-year tax abatement for personal property. If approved, the company will save about \$6,000 over the three-year deduction period. They will still be paying during that time around \$17,000. That is the first one and the second one is for Eversharp Packaging Corporation. This is a packaging company providing packaging services for major brands in the hardware industry. They provide products, services as well as pad printing and screen printing and four-color UV printing. Their proposed project involves an investment of over \$468,000 in personal property. Their installation is to be started in August but won't be complete until October of next year. The company plans to create 29 new jobs with salaries around \$670,000. As with the last project, they are eligible for a three-year tax abatement. If approved, they will pay around \$18,000 in taxes while saving \$6,500. Do you have any questions for me before I have Mr. Noggle come up?

Sheila Curry-Campbell: Is there a reason for October of 2021?

Rachel Black: Yes that is when the installation for that particular side of the business would be complete which is normal. Sometimes businesses will take a couple of years to ramp up to get things going. You are welcome to ask him that question. Are there any other questions for me?

David Noggle: My name is Dave Noggle and I am with NuTek Abrasives and Eversharp Packaging Corp. Where do you want me to start?

Tom Harris: Maybe an overview about coming to the community and what you will be doing and what your business is doing.

David Noggle: First of all, it is very cool to be coming here. I am from Chicago and if this was a Cook County meeting, it would be nothing like this. Coming here is much better. Everybody has incredible with us. Rachel has been amazing. The State and the City has been amazing and we have been excited to come here. Basically the companies are one in Michigan that does electroplating and NuTek Abrasives is the only U.S. manufacturing company that supplies electroplated diamond blades and products to the power tool industry. No one else does this. The reason is that our primary competitors

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are China and Mexico. It is very hard to compete with those guys on this stuff. In the last two years, Made in the U.S.A. has become very important to the rest of the country and our business has had a huge opportunity to grow. I have spent three years saying no to all of my best customers because we can't afford to supply them any more than we wanted to. We ship probably 70% of total orders and still grow about 30% a year. The move here will enable us to grow at 100% a year for probably the next three years because the manufacturing capacity and a good workforce and all of the innovations are going to be a huge help for us. The numbers I put forward are all actually historical numbers of what we have done in the past. Going forward is going to be amazing for us. Just as a result of this opportunity which we started late last year, I have been able to say yes to Menards and we have immediately began picking up business with them this year. We have Ace Hardware for the first time in three years. We have immediately started picking up business with them and all of our other customers. We are literally in every major hardware and home center retail store today. NuTek's challenges are now that we will be able to flourish in this environment compared to where we are today. We are really excited about that. Eversharp Packaging pretty much almost exclusively does all of the packaging for the products that are made by NuTek Abrasives. We package and supply probably 30% of the Dremel branded accessories along with many others. It is a very busy little company. It is small right now but we will have the opportunity to growing hugely down here and putting everything under one roof is a really great opportunity for us. If you let me talk about my company, I will literally talk all day.

Joel Benz: We may have to curtail that.

David Noggle: Today, we stamp this blank metal part in Jackson, Michigan. We stamp a little over a million a year. We want to move that stamping to Indiana and find a stamp house here to stamp these parts. Once we get that stamped part, we will do all of the plating, packaging and printing and this is what comes out the other side. This goes in the door and this comes out the door. That is the idea in moving here to Indiana. It is a lot of investment but it is such a huge opportunity. Here are some of the items, Diablo and the new project for Menards. That is the result of our ability to come here. This is Dremel and you can open them or tear them apart if you want to. We designed all of these products for them, did all of the testing and qualification. We then do all of the manufacturing and packaging and ship them to their warehouses ready to go to the Home Depots or Ace Hardwares of the world. We also supply a large percentage of the Rodezit products. This is a new item that Dremel is launching in about two weeks. All of these are opportunities that we are going to bring here to the Fort Wayne area and immediate expansion as a result of all of that.

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Joel Benz: Councilman Harris.

Tom Harris: I just wanted to say welcome to the community and with the show and tell, you have raised the bar for the GM Plant the next time they come before us.

David Noggle: They will be driving cars in here and engine blocks.

Tom Harris: One of the challenges we have on Council with abatements or phase-ins and such are to make sure the jobs are secure and that we kind of raise the overall wages that are paid in the community and benefits and such. The first question would be those employees that you plan to hire here, are they coming with you or are you going to be hiring new in Indiana?

David Noggle: More than 80% will be hired new, here and trained new, here.

Tom Harris: Are they given an option out of Illinois to come here?

David Noggle: Maybe 30% will be given the option but I am guessing that five people are going to come.

Tom Harris: Insurance and wages, do you offer any kind of health insurance and benefits or anything like that?

David Noggle: We don't currently offer health insurance and the biggest challenge there other than it is really expensive per employee is that even if we give them health insurance, the deductibles are like five grand. They end up not getting any benefit from it. When we talked to all of the employees, what they really wanted in lieu of that was a savings plan. We do a company match for them on three to five percent. Surprisingly, almost all of them take advantage of that and they are able to save a fair amount of money.

Tom Harris: Regardless of how the vote goes today, I would encourage you as you grow the consideration of additional benefits for those employees. As you know, the quality of employees increases if you offer more benefits.

David Noggle: We are really excited about that. I think we are going to get so much better people here than we get today especially in our Chicago operation.

Sheila Curry-Campbell: I was just curious about who is your competitor?

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David Noggle: China is easily our biggest competitor. Because we are the only electroplated manufacturer and supplier to the power tool industry here in the U.S., we don't have a direct competitor.

Sheila Curry-Campbell: Your average salary for these jobs, you said you have 18 employees right now at NuTek industry?

David Noggle: That is correct.

Sheila Curry-Campbell: Are they here in Fort Wayne now?

David Noggle: No and those guys are in Michigan.

Sheila Curry-Campbell: In Michigan. And so you have one plant in Michigan and one in...

David Noggle: In Illinois.

Sheila Curry-Campbell: And so you are moving both of those components to Fort Wayne and under the same roof.

David Noggle: That is correct.

Sheila Curry-Campbell: And then do you know what the average salary is?

David Noggle: Not exactly but I think we pay in both places around \$13 an hour.

Sheila Curry-Campbell: Do you use temps?

David Noggle: We use quite a few temps.

Sheila Curry-Campbell: Will you be using temps in Fort Wayne?

David Noggle: We will, yes. We are very, very busy from April or May to September. That is probably more than 60% of our business is done in that time. We will hire temps or part-time people for that.

Sheila Curry-Campbell: So they will just work a short window?

David Noggle: I would say in the last couple of years we would hire seven or eight temps and then at the end of the season we would keep three or four. The next year we would hire the same number and keep a few more and when we come here we are anticipating growth of 100% a year. We are

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hoping when the temps start in the April to May timeframe that we will be able to keep at least half of them going through the end of the year.

Sheila Curry-Campbell: Keeping them as a temp or bringing them on full-time?

David Noggle: Full-time.

Sheila Curry-Campbell: As an employee.

Kenny Fries: Just a comment. I have bought your products in the last couple of years and I will advertise for you because I have been impressed with them. I know there are some other construction people in the audience and they cut so smooth and so well and they last for a long time. I am glad you are coming to Fort Wayne and Allen County.

David Noggle: Thank you.

Joel Benz: Councilman Spurr.

Chris Spurr: First and foremost, thank you for coming to Allen County. I greatly appreciate it. As a veteran, Made in the U.S.A. means a lot to me. I greatly appreciate that. I have a couple of questions for you. Under Community Benefits, you have elected here that “is the company willing to contribute part of its tax savings?” and you have checked “no”. That is in reference to the Tax Abatement Development Fund that was established in 1992. Could you give me your reasoning for that?

David Noggle: Where I come from you want to be more cautious than enthusiastic because it is a cautious environment in Cook County, Illinois. We weren't sure what to expect and we are really not sure what to expect when we come here. I don't want to get too enthusiastic and think about participating until I get here and know what I am up against. Secondly, we compete primarily with China and the cost structure is really, really aggressive. Manufacturers in China are able to operate on between zero and two percent margins because they get kickbacks from the government which we don't get. We tend to focus as much on cost as possible. I can tell you that when we come here, for example the guy that runs the packaging operation, one of the things that he looks for most in his employees is people that need or want a second chance. Anyone who has a minor conviction or is coming off addiction or dropped out of high school or something like that 75% of his employees are people like that. He picks people like that because they work very hard and are very loyal to him. Our contribution to the community is going to be very big and I hope that as we go forward we say that we want

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more of it. I am going to tell you that everybody that finds out about this in Cook County, you guys will be flooded with people.

Chris Spurr: I have another question regarding job creation and retention in section 34. Is there any opportunity at all for bringing higher paid employees than what you have here as topped out at \$34,000?

David Noggle: I know there is a great opportunity for improvement. Not only is there pressure from other local hiring companies increasing the wages up to \$15 an hour and higher than that. Our company doesn't have a lot of large overhead structure. We don't have to pay Boards or Presidents or anyone like that. All of the money that the company makes goes back to paying the employees and investing in equipment. In the last three years, we started at nine or ten dollars an hour on average and we are already at thirteen. The product we have and the process that we have are excellent. The better the people are the better the company is going to be and that is going to be our first place to invest.

Chris Spurr: My third and final question is what do you estimate your total number of employees to be in Illinois and Michigan?

David Noggle: We have twelve to fifteen in Michigan and maybe fifteen or more in Illinois right now. In two to three years, it will be double that and in five years it will be over 100. Again, I have had to say no to most of our opportunities for the last three years and the moment we decided we were going to move here, I called Menards and Ace Hardware and they immediately said yes. Home Depot will be next and everything will skyrocket from there.

Chris Spurr: Thank you for your responses.

Kyle Kerley: The plan is that you are going to relocate to our County. Are you going to shut those locations down or will they continue to operate?

David Noggle: We will close those down and we are going to move, we are not actually moving very much equipment. We are going to sell off all of the equipment that we have there and buy all new equipment coming into here. What is in place there now doesn't meet our demands.

Joel Benz: Thank you for your investment in this community.

Sheila Curry-Campbell: Regardless of what we do today, you are still coming to Fort Wayne. Is that correct?

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David Noggle: I can definitely say that the quality of people here are so much better than yes, probably. The tax abatements, to me, are an example of your support of my company. I was lucky to hook up with Hanning and Bean to find a place and they were so incredibly helpful. Rachel and the State, when I called you guys you were so onboard. I was really excited. Probably yes, we will still come here despite the abatements but we are hoping that it demonstrates that you also support us.

Sheila Curry-Campbell: I support you but I am also concerned about the temps. I don't really think you need our abatement but if that is what you need to come to Fort Wayne, I just hope it is not the deciding factor.

David Noggle: You know, when you compete with China, you literally have to count pennies. Our employees all work so hard and we expect with coming here they will be even better quality people and that is what we need to have to compete with them. Their labor rates are four bucks a day and they operate on zero to two percent margins. We always need every ounce of help we can get to make us more competitive. The more competitive we are, the more business we get to take from them. This year alone, I had to buy 300,000 blades from China. Next year I am hoping that all of that is going to be here in Indiana.

Tom Harris: I am going to move for consideration on Resolution 2020-07-16-01 approving Statement of Benefits for NuTek Industries as well as consideration of Resolution 2020-07-16-02 approving Statement of Benefits for Eversharp Packaging Corp.

Kenny Fries: Second.

Tom Harris: I was going to say that we have a review system that gives points based on that and based on that it is now in front of us. The very fact that you went through the system and while there are areas that could be improved on, you still rated in a way that we could approve this. I want to congratulate you on taking the bold step to move the company to be able to grow and become more competitive. The fact that you are paying approximately \$35,000 in taxes and hiring new people in this community and are saving about \$12,000 over three years, I think it is a risk worth having or the County.

Chris Spurr: Mr. President, may I say something?

Joel Benz: Go ahead.

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Chris Spurr: I just want to say for the record that regardless of the vote today, I appreciate you coming to Allen County. We are a very business oriented community. I am a small business owner. I would like to say thank you for coming to the community and bringing an American made product regardless of the way I vote today. I appreciate your efforts.

Joel Benz: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 5-2 (Spurr and Curry-Campbell). Welcome to Fort Wayne or Allen County.

Rachel Black: The third item on the agenda, consideration of Resolution 2020-07-16-03 approving 2020 pay 2021 Compliance with Statement of Benefits Forms. As required under State law, all companies with existing approved designations that filed for deductions are required to file Compliance with Statement of Benefits forms that contain information showing the extent to which they have been in compliance with what was originally approved by this Council. Generally the forms are due May 15th but due to COVID-19, Governor Holcomb pushed that date back to June 15th. That is why we are doing this in July instead of June. Under State law, this body has 45 days after the receipt of those compliance forms to determine whether the company has substantially complied. At this time, I could go over your policy, if you would like, or I could just move forward.

Joel Benz: Council, any preference?

Chris Spurr: Since I am the new guy, could you please just bring me up to speed really quickly on that?

Rachel Black: I will do a quick summary. Once the CF-1 Forms have been sent to me, I do a review of those against your policy. That policy is creating or retaining 75% of full-time and/or part-time jobs. There is an and/or in the policy 75% as well for the salaries that were given on those Statement of Benefits forms. If the company does not meet the 75% threshold we then look at the investment of real and personal property to see if they meet that 75%. At that time, if they don't meet the 75%, we bring them to you for a non-compliance situation. The resolution that we have for you today, Exhibit A was 25 companies and some have multiple resolutions. Twenty-five companies were found to be in compliance and there was one that was not found in compliance which we will discuss on the next agenda item. Do you have any questions for me concerning this resolution? I do want to say I am very proud of the companies and the people that we have worked with due to COVID-19. This has been a great year for compliance. I haven't had to track down a bunch. It was surprising and good and I am thankful for that.

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Tom Harris: I will move for consideration of Resolution 2020-07-16-03 approving 2020 pay 2021 compliance with Statement of Benefits forms.

Kyle Kerley: Second.

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

Rachel Black: The last thing I have for you is consideration of Resolution 2020-07-16-04 determining Substantial Non-Compliance with Statement of Benefits for Vera Bradley Designs, Inc. What happened with this one was Vera Bradley has three different resolutions that are currently running. The one that we are looking at today was approved in 2013 for real and personal property. The investment for those two things was \$1.8 million. They were granted a five-year abatement for personal property and a seven-year abatement for real property. It was an oversight on their part. They had thought that both real and personal had ended. Once I alerted the company that they still had two years remaining on the real property, they submitted the form right away to me. That was on June 25th that they submitted the form. They submitted a letter that I will read quickly. It says "I wanted to apologize for the misunderstanding regarding Vera Bradley's compliance paperwork for Resolution 2013-08-15-02 and appreciate you bringing it to our attention via email on June 25th, 2020. As soon as we realized our mistake, we sent the completed compliance documents back to you the same day, Since Vera Bradley is in good standing and has not missed a filing deadline before we ask the Council to consider this. We apologize for any confusion this issue may have caused." Does anybody have any questions?

Joel Benz: Councilman Fries.

Kenny Fries: The conversations that we had before, as Vera Bradley stated in that letter, they have never missed a deadline.

Rachel Black: No and the other two resolutions were submitted on time this year.

Sheila Curry-Campbell: Seven years ago, when we originally gave the abatement, how many employees did they have then to how many do they have now?

Rachel Black: The paperwork that they had filled out for this particular resolution had estimated at the time 258 employees and salaries were over \$10 million. They currently have 263 employees with \$12.3 million in salaries.

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Sheila Curry-Campbell: What is the average salary and are those temps or full-time employees?

Rachel Black: I do not have that in these documents and so I am going to assume they are full-time employees.

Tom Harris: Should this not move today, we basically move forward. Otherwise we approve this and they would need to come see us.

Rachel Black: Right. If you approve the resolution before you that would bring someone from Vera Bradley to your next meeting to discuss the reasoning why they were late and if you do not approve it, it will show that they are compliant and will just move forward with the abatement.

Tom Harris: In the past, it was where they still had not submitted the paperwork and therefore we brought them before Council to speak about that. In this case they have already submitted it and recognized the error and so if we did nothing, we simply move on.

Rachel Black: That is correct.

Joel Benz: Thank you. It is confusing every year.

Sheila Curry-Campbell: I am just curious about the staffing. She is saying that these are full-time but I don't think the salary and the employees...I would love to hear from Vera Bradley. We'll just vote but I guess that was my question. It doesn't match up.

Rachel Black: I will be happy to email them and ask for the breakdown of those salaries and email it to you or to all of Council.

Sheila Curry-Campbell: That would be great. Thank you.

Chris Spurr: Just to reiterate all filings have been on time in the past?

Rachel Black: Yes.

Joel Benz: Council, I guess if we wanted them to come before us someone needs to make a motion. Otherwise if no one made a motion, we move forward. Does anybody have a motion? Hearing none, we will move on to the next agenda item. The Commissioners are next.

Chris Cloud: Chris Cloud, Chief of Staff for the Board of Commissioners. Relatively straight forward request for today, we need to transfer some

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money from 300 Series to 400 Series in the Cumulative Capital Development Fund. This may come as a surprise even though we do a lot of capital stuff out of CUM CAP but because it is not new but is repairing and replacing, we don't actually budget very much in the 400 Series. For instance we are doing an upgrade to elevators at the Jail and it is all out of the 300 Series. We are replacing 80% of the elevator and it is not out of new capital expense. Typically the only thing we budget for in the 400 Series is for computer refresh which is what our IT Department spends on servers. We have had a need to purchase some stand-alone capital equipment and didn't want to take the money from the computer refresh. We anticipate some additional computer expenses to enhance our opportunities for telework for remote work. That required us to do a transfer into the 400 Series.

Joel Benz: Councilman Harris.

Tom Harris: Give us an understanding of some of those items.

Chris Cloud: Some of it is buffer for anticipated other items. Normally Ed doesn't spend that whole budget that we put in for computer refresh but we anticipate additional expenses. Not knowing what the next five months is going to hold, we wanted to have some extra capital money as a buffer. The big expense item is an additional body scanner for the new Residential Services Facility. There was one accounted for on the male side but not one for the female side. The Community Corrections' staff would prefer to have scanners on both sides. It is a \$139,000 item. There is also a replacement Gator for the Maintenance Department. The frame has rusted to the point that it is really not safe to be driving it around downtown. That is what they use for all of the landscaping for the downtown buildings and also to take snow off the sidewalks around out buildings. Plus that and some buffer so that we don't have to eat into the computer refresh budget.

Chris Spurr: Mr. Cloud, could you elaborate on the percentage of what that buffer might be?

Chris Cloud: \$100,000 to be safe. CUM CAP pays for all building repairs and maintenance and not always knowing what is going to come up this year, I hadn't thought that we do most of our projects out of the 300 Series. There is an expense line that we don't usually budget in for just Capital Expenses and so next year we will probably throw some money into that. We want IT to know that it has the amount of money every year so they can plan and do things and not be in a situation because we do IT in cooperation with the City of Fort Wayne and City Utilities. If they are going to be purchasing new switcher server and we split it three ways, they need to know they have the money on hand to do that. It is better to preserve the refresh line as much as

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we can and not borrow from it even though it's ours. It is best to not come back more than once to transfer and so we wanted a little buffer in there.

Tom Harris: I will move for approval of the transfer in CUM CAP Development Fund 321 from Repairs/Maintenance/Building Projects in the amount of \$253,675 to Equipment and Machine Purchases.

Bob Armstrong: Second.

Joel Benz: **We have a motion and a second.** I will just say for the record that I am going to vote no on this. I am a little uncomfortable with a number that large being a buffer. I think that takes onus from us as the elected representative over the fiscal part and gives it to the Commissioners' Office to spend with less restriction or oversight. I would rather see you or the Commissioners come back and request that money directly for specific projects rather than just giving a lump sum and saying to use it however you will. I think it is my responsibility to be a little bit closer in my oversight on that. Councilman Fries.

Kenny Fries: I guess I have to have clarification on that also. We are saying there is a \$100,000 buffer and so the actual money we need is somewhere closer to \$153,000 instead of \$253,000.

Chris Cloud: When I say buffer, there are plans for the \$100,000. They are just not on a PO right now to spend. We anticipate spending upwards of \$50,000 to purchase 55 to 60 laptops. We took a survey of what middle management and supervisors didn't have laptops anticipating doing telework in the future. Due to the Cares Act, we have the ability to purchase equipment and get reimbursed. That enhances our ability to do telework and so we are trying to take advantage of the opportunities but not eat into the existing refresh budget. The other amount of money is for odds and ends that may be needed so there would be a \$50,000 buffer. Because I don't have a solid number, we have plans and I wouldn't have just transferred the money. We have the other two items on PO's. I anticipate spending at least half of that buffer in the very near future.

Joel Benz: I would have appreciated that information a little more upfront. I don't know why it wasn't presented.

Kyle Kerley: I would say I have a similar concern. Every other department that we ask to come before us, they come and ask each item individually.

Chris Cloud: I don't know that is absolutely true.

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Sheila Curry-Campbell: I have been in discussions with a couple of folks that will be trying to prepare their budgets for 2021 for the laptops. We all know that COVID is still here. That was my question being a little bit more specific. I don't want to vote no but the way it is being presented doesn't make me feel comfortable.

Chris Cloud: I am not sure I understand the concern. We are not asking for an additional appropriation.

Sheila Curry-Campbell: I understand that you are asking to move a lot of money. I just wish we were more specific.

Chris Cloud: The body scanner is \$139,000. The Gator is \$15,000 or \$16,000. We are spending \$50,000 on laptops for middle and upper management that don't have them now. The rest is for odds and ends that may come up for the rest of the year.

Tom Harris: Will either a delay or a no vote affect the opening of the facility?

Chris Cloud: No. It doesn't affect the opening moving forward but possibly put IT in a pinch and they wouldn't have enough money to buy other stuff. We still do computer refresh. We are not stopping that. There are still expenses in the budget that IT had planned on spending. No, it is not going to delay it but it possibly will have us need to come back.

Chris Spurr: Just a couple of questions. For upper and middle management, they already have laptops and this would be an upgrade or they do not have any?

Chris Cloud: We specifically asked who did not have one. We have a standard setup for employees of a desktop and monitor. If a department wants to pay the difference, sometimes we do permit laptops. Unless their job would warrant a laptop because they are away from their desk a lot or travel or whatnot, we don't as a standard setup. We asked specifically who does not have them and might need them. We identified 50 some individuals that the Department Head or Elected Official said they might need them or they would be a benefit to have. As we hope to limit what we found in the nine weeks that we were fully closed, people weren't able to do telework. We had a lot of people that it physically wasn't possible to work from home.

Chris Spurr: I understand. Thank you for the explanation, Mr. Cloud. For the record, I am satisfied with the explanation.

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Joel Benz: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 4-3 (Kerley, Benz and Fries). Circuit Court is next. They are requesting to apply for a grant.

Eric Zimmerman: Good morning, Council. I am Eric Zimmerman and I am the Court Administrator and Chief Probation Officer for Circuit Court.

Judge Felts: Tom Felts, Allen Circuit Court.

Eric Zimmerman: We are here to request to apply for a grant that we have already applied for. This grant allows us to apply for up to \$10,000 for services to assist Problem Solving Courts. Allen Circuit Court already has two Problem Solving Courts and we are getting ready to launch a third. It will be for felony drunk drivers. If you have any questions about that I brought the expert on Problem Solving Courts with me. This grant allows us to provide services for individuals that will be going through the Problem Solving Court. We are in the process of being certified. One of the requirements for the grant is you have to be a certified Problem Solving Court to apply for the grant. I have developed the budget and applied for the grant and we have been awarded the grant. We will come next month for the appropriation with the specific line items you will be able to see. We have been awarded the full \$10,000. Oftentimes, grants come out and we have to act quickly and the COVID interrupted everything.

Kenny Fries: Just to make sure that everyone understands, the reason that you are here now is because the grant deadline came up and was past-due before you could ever come to Council and request it.

Eric Zimmerman: Yes, we didn't feel it was the highest priority given all of the things going on. Our daily activities kind of took over and I actually forgot that I had applied for it until we got it in June.

Tom Harris: I will move for approval of the permission to apply for the Adult Probation OVWI Grant.

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.

Nick Jordan: I can handle their appropriation request next month if that is okay with you.

Joel Benz: Yes that is fine.

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Tom Harris: Judge, did you have anything you wanted to add?

Judge Felts: Thank you.

Joel Benz: Superior Court.

Nick Jordan: I am handling this one for Superior Court. This grant cycle is not a calendar-year cycle. They are requesting appropriation of \$34,690 to finish out the calendar year 2020. It is for Court Appointed Special Advocate which is what the acronym CASA is for. It is strictly related to timing and when the grant cycle ends which I believe is 9/30. This pays for October, November and December for contractual services of an attorney that they hire for the CASA juveniles being represented.

Tom Harris: I will move for approval of the appropriation in Superior Court CASA Fund 224 in the amount of \$34,690.

Sheila Curry-Campbell: Second.

Joel Benz: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. We are moving on to our own department. This is a little bit of an unusual agenda item. Previously we had a County Attorney and during the downturn in the economy, they eliminated that position and we have gone without for a number of years. We have been reliant of the staff in the Commissioners' Office or outside counsel, basically. This will not replace the outside counsel because those are specific instances where we are being sued or something like that. This will give us the opportunity as a body to have some legal input, some representation that is loyal to us, for lack of a better term, and is looking out for our best interest.

Tom Harris: Representing us.

Joel Benz: Yes. This establishes a salary ordinance which then allows the Commissioners to establish benefits or however they are going to handle that. Councilman Kerley has done some work. Do you have additional thoughts?

Kyle Kerley: Just that this is something that we have been discussing since January. As things have gotten delayed, we have made a number of calls to potential candidates trying to determine what seemed appropriate as far as a salary ordinance would go and what expectations we were looking for. Somebody that we could ask for legal opinion and somebody, if we felt necessary, we would ask to attend our meetings much like City Council does.

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We tried to estimate a fair number of hours on an annualized basis and a fair fee and I think that is where we came up with this number.

Joel Benz: I think it has been evident, over the last few months, as we have come along here that there is a need for someone that we can reach out to and have some insights and do some research for us also.

Tom Harris: This is not a retainer, in other words. We pay a certain amount for the year and they provide us an unlimited number of hours. This is more of us putting money in the account to cover what we would pay per hour to an attorney to represent us.

Nick Jordan: If this were an agreement, the Commissioners have to approve the agreement. (Could not hear most of what he was saying.)

Tom Harris: So the \$7,500, in essence, is going to be broken up into a pay schedule and paid out proportionately throughout the year.

Nick Jordan: No. It is kind of like what we have done with the County Attorneys now is if they are paid \$40,000 and they turn in one hour, they get the 26 pays because it is not based on hours, so to speak.

Tom Harris: I see. That is where I was headed.

Kyle Kerley: The way I think we envisioned this was, and I think we may have to tweak it a little bit in the job description is, thirty hours is based on showing up at Council meetings as requested and researching legal questions directed through the President as requested. We figured thirty was a fair number. The attorneys that we talked to pointed out exactly what Nick did that if we ask them to do any additional work, whether it was litigation or lobbying on our behalf at the Statehouse or whatever there may be additional costs such as travel or whatever. Obviously with litigation, there would be additional costs associated with that.

Joel Benz: At this point though, I don't think that is the intent of the position.

Kenny Fries: Is this person going to be considered a County employee or a private contractor?

Nick Jordan: The way you are doing it now it is an employee. If it is a contractor, it has to be done through the Commissioners.

Kenny Fries: So there will be withholdings before he gets his money.

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Nick Jordan: Yes.

Joel Benz: Council, is there any further discussion? If not, I would entertain a motion.

Kyle Kerley: I motion for consideration of a salary ordinance establishing the pay for the County Council Attorney, SPEC OCC, \$7,500.

Kenny Fries: Second.

Joel Benz: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. At this point, I will open the microphone for public comment.

Nick Jordan: I got one from Mr. Kurzen. He came to the last meeting but was unable to attend today. I will read his email and then forward it to you after the meeting. "Council members, I urge you to consider the vulnerable among us as you evaluate spending in our County. Please give priority to spending on mental health, drug and alcohol abuse treatment and housing for the homeless. According to Faith in Indiana, Allen County is opening itself up to fiscal liability through the Sheriff's continued use of U.S. Immigration and Customs Enforcement, ICE, detainers. The detainers are a violation of Constitutional Rights of immigrant families. We don't want our tax dollars going toward hunting down and detaining community members. Thank you, Andy Kurzen, 908 Kinnaird Avenue."

Joel Benz: I will go ahead and close the public comment portion of the meeting and we will move on to Discussion and Other Business to Come before Council. Nick, how long will your presentation take?

Nick Jordan: I can do it as quick as you want or as long as you want. Last month you talked about a lesson in civics and I can give you some of that or I can do it in five minutes.

Sheila Curry-Campbell: Nick, do we need to take a break or?

Nick Jordan: It is for your benefit, not mine. It literally depends on what you guys want to do.

Joel Benz: Do you want to take a break?

Sheila Curry-Campbell: Move right along because Nick is going to share this with us.

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Nick Jordan: You should all have a hard copy.

Joel Benz: In with this, you are going to give the Auditor's Report since we skipped over it at the beginning.

Nick Jordan: If you go to Finance and Budget, then you go to Annual Budget. Does everybody else have it?

Joel Benz: Yes, we are good.

Nick Jordan: For the Financial Report, the important thing to note here is the Total Property Taxes Charged we have collected approximately 52%. If you recall, the actual due date was moved to July 10th, I will say that we have collected a little more miscellaneous stragglers that didn't pay as of May 10th. I wouldn't expect this figure to increase over 55% but we will find out at the end of July what that becomes and then the remaining will be at 100% at the end of the year. You will see Miscellaneous Revenue at \$23 million is trending a little bit ahead of year-to-date. As is with mostly every month or every year, you will see some buckets straggling behind and others way ahead of the game. One of the bigger ones that I wanted to point out is Care of Federal Prisoners. The population has been down and the other aspect of that is the State is paying their reimbursement in one chunk. Last year it was around \$1.6 million. If it sticks around to that amount, we will get \$2 million in the next month or two. I believe we will receive it in August. The State's fiscal year begins in July. That will jump up there and that is why that is so far behind. I can address any other ones you specifically want to talk through. If not, when we look at the 2021 piece here in a second, I have also copied the 2021 that I anticipate.

Tom Harris: So the Building Department still looks strong in terms of what is coming in.

Nick Jordan: Yeah and I will say our estimate of \$1.9 million is below last year that was \$2.4 million which is what they collected. It is a guess if the real estate is going to continue the trend that it does. Some of the bigger projects have rolled off and we have residential homes and remodels and things like that. If GE were to occur that would be a big project and then you would see something similar to what we saw with GM. Major permits revenue from the Building Department standpoint as far as a large project. You have Parkview Regional Hospital in years past have never stopped expanding, those permit revenues drove that up and I think the tide kind of changed a little bit last year when we saw a lot of smaller projects but the Building Department would have to confirm that.

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Tom Harris: Any updates on the GE proposal?

Nick Jordan: Nothing. I know they are already doing work out there, remediation and things of that regard but as far as moving forward, I have no clue.

Tom Harris: I will move for approval of the Financial Report.

Kyle Kerley: Second.

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

Tom Harris: Now for the budget.

Nick Jordan: Yes. As I mentioned, you all should have a hard copy of this. If not, I will pull it up here on the screen and you can follow along. Please stop me at any point because it really is for your benefit and decision making in the next months to come. What we start with on this sheet is a summary and we will dig in on the next couple of pages. We start with \$110 million of projected revenue. That is broken down into Property Tax piece of approximately \$65 million and Miscellaneous Revenue of \$45 million which is the sheet that we looked at as of June. Then we go to Prior Year Adjusted General Fund Allocations of approximately \$105 million. We deduct that off. That leaves us with approximately \$5.3 million of revenue exceeding adjusted allocations based on our estimates. I add in \$2 million of rollover because we historically have anywhere from two to three percent of rollover. If you have \$110 million budget, the \$2 million should be a safe bet. I am adding into your budget, Council historically budgets Capital in their budget and then departments come throughout the year and ask for it in the General Fund. The last few years has averaged \$500,000 that was the actual expense. You have budget \$750,000 for 2020 and you have only granted \$5,000. Here I have lowered that a little bit to \$700,000 and you could choose to lower that to less than that. It is your prerogative but all that will do is the \$4.6 million will bump up. Let's say you change it to \$500,000, the \$4.6 million will go to \$4.8 million available to give to the departments' appeals. Before I get to that I have thrown in there a three percent COLA increase.

Kyle Kerley: I was going to ask about the three percent COLA increase. The \$104 million includes the 27th pay period, correct?

Nick Jordan: We have taken that out. Let's just go to the next page. We are going to break it down here. We will walk through this so you can see that. The \$110,268,832 is still at the top. Our General Fund Property Tax Levy is

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increasing \$4.2 million. The \$4.2 million is based on a State law that it can increase by the six year non-farm Indiana personal income. That factor is 4.2 and is high from where it has been because we are coming out of the recessionary period. We now have 2013 through 2019 that we are looking at year-over-year Indiana non-farm income change. It says we can increase our levy 4.2% or \$3 million. We back off Mental Health and ARC which is Easter Seals and Park Center. We simply pass that money through to them. It is not for our expense except for passing it through to them for their operations. The Circuit Breaker of \$6 million or five percent increase. The reason is that it has been going down for five years and last year it bumped up three percent. The reason that I have it going up again is because what is happening is Net Assessed Value, which is a pool that we can pull our taxes from increased four years ago at three percent. Three years ago at three percent and last two years it has increased almost seven percent or mid-six. I don't anticipate seeing another seven percent year-over-year increase again. If that comes down three or four percent and we can increase our taxes four percent, those two match and you will have Circuit Breaker increase because you don't have as big a pool to pull your taxes from. It also depends on what all of the other Units do. If New Haven creates a CUM Fund or a Township creates a CUM Fund, those are all new taxes that get thrown into this mix when the pool of Assessed Value is not growing at the same rate. That leaves us with approximately \$65 million on the Property Tax aspect to spend. Then we look at our General, LIT is the acronym for Local Income Tax and LIT Public Safety. The Miscellaneous Revenue of \$45 million, you will see there is a five percent decrease. The reasoning for that decrease is two-fold. Income Taxes, the distribution we will receive in 2021 is based on 12/31/19 tax returns. Arguably 12/31/19 tax return was a very positive year economically for Allen County. I would anticipate there is still the same income tax potentially to be collected as there was in 2018. There wasn't a drastic change from 2018 to 2019 negatively. That being said, I don't know what the DOR (Department of Revenue) is going to certify to us in the next couple of months based on what has happened with COVID.

Tom Harris: What is the timing of that?

Nick Jordan: We would have usually already known that but it has been delayed because the income tax due date was delayed until July 15th. Since that has been kicked back it will be August or September that we may get the first estimate. That being said, even if you owe taxes on your income tax liability it doesn't mean you are going to pay them. While the economy could have been good, you could owe taxes and if COVID has since ruined your financial scenario, you might not end up paying them. We will see what the DOR estimates. My point here in this \$45 million comes from the bottom of this sheet. Income Tax, I have estimated a decrease. Excise Tax, I have

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estimated a decrease. Excise Tax is what you pay on your vehicles. It has been going up. People have had money and they buy new cars and they pay a greater share of Excise Tax. If we don't see people continuing to buy the newest model of cars at a higher price, then potentially we won't see an increase in Excise Tax. In percents you will see some drops. I want to go down the Sheriff. It is a big money drop. The reason for that is in 2020, when I did the estimates it was under the assumption that the Sheriff was going to be running Work Release. When the Sheriff runs Work Release the revenue comes into the General Fund. Since the Sheriff is not running Work Release, those revenues under Community Corrections will go into a special revenue fund. They are taken off here, not to say we won't receive \$1.3 million or \$2 or \$3 million. It is just going to go into a special revenue fund and not the General Fund. That is where the big drop of \$1.3 million is the biggest drop we see throughout here. The other piece of it, if we go down to Care of Federal Prisoners, it is a \$500,000 drop. Again, we have had a very low population. Along those lines, Residential Treatment Services can hold more people than the old Work Release, we potentially have less people sitting in jail and less people we can seek reimbursement for from the State or the Feds. If you want to go through any of the other changes, we can but if not, I am going to go back and keep walking through this.

Tom Harris: How about insurance? Is it okay to ask it?

Nick Jordan: Perfectly fine. We will get down to it in a little bit. What you see here, let me walk through the lines and then you will see where I am going with this. That \$110,268,632 that I have my cursor on is the estimated revenue. We start with this year's 2020 budget of \$111 million. We back off the ARC and Mental Health just like we backed off the revenue. I back off the Capital with Council but will add it back in at the end. We will back off the 27th pay that Kyle was asking about earlier. We will add in step increases that we know are going to occur in 2021. Step increases are based on a grid system. If you are here for five years, you get a step increase and also for ten, fifteen and twenty years. Do you have a question?

Sheila Curry-Campbell: My question was about the Election Board.

Nick Jordan: There is no election. The Election Board revenue that is in here is two-fold. The Election Board revenue, we won't have because there won't be an election in 2021. Since there won't be an election, they don't need a lot of the poll workers, technical workers or temporary type workers for elections. That is why the big drop.

Sheila Curry-Campbell: Thank you.

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Nick Jordan: The step increases, as I said, you get on the basis of the grid. It equates to approximately \$309,000. Then we add the Sheriff Pension. That is paid from two different places, the General Fund at approximately \$2.8 million and Service of Papers. The Service of Papers, a few years ago, would generate \$500,000 or \$400,000 or \$600,000. The last few years that has dropped quite a bit. I only anticipate Service of Papers being able to pay a couple hundred thousand dollars. The General Fund is going to have to make up the difference of the \$3 million that we have to pay for Sheriff Pension. We can talk with the Sheriff and get the reasoning but there is various reasoning of private servers that deliver the papers and changes to electronic.

Tom Harris: On that point, we might want to talk to the Sheriff because it is one of those things that we kept pushing to have the Service of Papers fees go up and the State came back and basically said you can charge more. The State did that statewide. Then it became a competitive thing where other people could do it for less. Am I saying that right?

Nick Jordan: That is one of the things they noted that there are private services.

Tom Harris: All of a sudden, while we thought additional revenues were coming in from the Sheriff serving those papers, other people have now jumped in and said we can do it for less and we are not getting the revenue.

Nick Jordan: I would tie it to the Drug and Alcohol Consortium when MaryClare Akers mentioned her not receiving as much revenue. If you look at our revenue for the Clerk, the Clerk doesn't receive as much revenue and in discussions with the Clerk, certain case filings have been down. Maybe it is a cycle throughout. The whole point is the General Fund is going to have to contribute more for that pension. It goes up every year around \$3 million and that bump there of \$310,000 is an increase in the General Fund. On the Health Insurance, this year we are up 30% year-to-date. We still have around a \$9 million balance and if you extrapolate that 30% for the year that balance can go down to \$6 million by the end of this year. I bumped up the contribution a million dollars for two reasons. One, we are taking on the Coliseum's piece. The Coliseum used to pay on their own fee revenue out of their own fund. They don't have any revenue. We are not only paying for 2020 but also for 2021. The Highway, we paid for 2020 in the attempt that they would put more money in roads. COVID has kind of thrown a curveball into the operations but nonetheless, for 2021 Highway is going to pick up their contribution of approximately \$800,000. That mitigates this million increasing even further. All of that being said at the end of 2021 if my estimates are correct, we would have a \$4 million balance even after contributing. But that is anybody's guess. It depends on the employees'

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health from any given year but we don't know that and don't have a crystal ball to look in the future. Like I said, we are up 30% this year.

Tom Harris: Is that based on a trend? Are a lot of people resulting in the 30% or is it a few cases?

Nick Jordan: Once we hit \$450,000, the Stop-Loss kicks in and so we would get reimbursed on that. But because we have had a couple of big cases in the last few years, the Stop-Loss has increased 30%. The admin fees used to be around \$70,000 and some and now they are \$90,000 and some. That is \$360,000 we are paying just on admin fees because of the big instances. Either way, whether it is quantity of people or individual claims, we pay one way or the other. On the Stop-Loss we will get some money back. Last year we got almost \$600,000 back.

Tom Harris: COVID is not playing a part in this?

Nick Jordan: We don't get to know. HIPPA-wise, I won't know.

Tom Harris: You don't know the people but the administrators should be able to tell us if it is COVID related. It would be interesting to understand if that is a piece cause it could come with us for the next couple of years.

Nick Jordan: The next line, Other Countywide Expenses, has only gone up \$70,000. Within that \$70,000, the biggest chunk is a \$50,000 increase for Workers Comp. In Workers Comp, we used to budget about \$300,000 to \$400,000 to contribute. Since last year, we had to throw in \$600,000. This year we threw in another \$600,000. For 2021, I threw in \$650,000. Workers Comp claims were around \$1 million including this year.

Tom Harris: Council, I think that is an area that we could have some impact on. We need to work out safety systems to reduce our Workers Comp expenses. It could happen through the Jail and such and there could be a lot of expenses there. I think we have some control from a Workers Comp perspective.

Nick Jordan: We go to the next section. There are some things that we are taking off. The \$566,000 is a decrease in the Election Board because there won't be an election next year. I checked with Beth to see if she is okay with the figure. The decrease due to the termination of the Sheriff's Work Release program is if he is not going to have that program, we are not going to leave that money in the budget. Increase due to salary reclassifications. That is a grab bag. You approved positions for DPS, the Sheriff's Department and those get thrown into this figure here. That amounts to \$7 million of

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adjustments on the \$111 million that we started with. That leaves you at \$104.9 million. When we take the \$110 million minus the \$104 million, it leaves us with \$5.3 million of Revenue Exceeding Allocations. Add in the \$2 million of rollover. Take out \$700,000 for Capital if you want to have that in your budget again. Take out a three percent COLA increase or equates to approximately one percent at \$700,000 if you choose to do differently. That leaves \$4.6 million to fund appeals that may come in September. Below that we've never done this before but I am only pointing it out now because of the uniqueness with the Coliseum. As you can see in the Council notebook, the General Fund has an amount left for appropriation as of June 30th of \$29 million. That is after I have taken out a \$6 million earmark for cash flow. That \$29 million, I am carrying it forward and even reducing it assuming in anticipation of a massive increase through the rest of the year. You have \$25 million sitting in Cash Balance at the beginning of the year in addition to the \$4.6 million that may come. What I would say is if we are going to fund the Coliseum operations since we think that or hope that's only one time or partial time recurring cost, we pull from the \$25 million instead of the \$4.6 million. I would say the \$4.6 million is used for operational requests or appeals that are going to continue forward. With the Coliseum, we hope in a year or two they are back on their feet getting at least half of their revenue back. The chunk you took out of \$25 million isn't recurring. This \$25 million, we don't anticipate will continuously build up. It was one-time whether it is an increase in income tax that we didn't anticipate, increases in property tax or whatever may be. The \$25 million I would say to use for one time type of expenses and not recurring unless you think there is some time we will get that fund balance back. There is no guarantee. The \$4.6 million, I would say to use for recurring operational expenses on appeals. For example, Community Corrections comes in September and they are not built into here and anything they can't pay out of the special funds and fees that they generate, they are going to come and ask as part of their appeal for the 2021 budget. That would need to come out of the \$4.6 million. We are going to need to have that revenue every year to offset their operations.

Sheila Curry-Campbell: That was my question about Community Corrections. How are we going to...

Nick Jordan: Just to start with where we are at, Community Corrections, prior to Residential Services, were only into the General Fund for about \$300,000. The other \$6 million is in Special Revenue Funds. They operate in their Special Revenue Funds through grants from the State and/or fees. With their new Residential Treatment Services, when they come and say it's \$3 million or \$4 million if they can offset \$2 million of that from grants and/or fees that will go into the Special Revenue Funds and leave with a net ask of \$2 million from the General Fund. We won't know that until September.

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When they come back and appeal in September, they will explain it to you guys and you will have the chance to dig through that. I would say whatever you is needed to fund them would come from the \$4.6 million and not the \$25 million of cash balance. The \$25 million does not include the Rainy Day Fund. That is just what is in the General Fund.

Sheila Curry-Campbell: One more question. What about broadband? Is that anywhere on our radar?

Nick Jordan: It is on the radar, for sure. The Commissioners have had many discussions and they are actually looking at the Federal level with funding in that regard. Commissioner Brown and her relationship and Board appointment with Senator Braun as well as Nelson has spearheaded a committee looking into that. Paying for that is not in here at all. Whether the Commissioners would use their LIT Economic Development Fund or LIT CUM CAP Fund or Fed grants, I don't know. And would we be the only partner doing it?

Tom Harris: Nick, in terms of in the past we have talked about our funds are getting high enough that they are showing up on the radar at the State level, does this put us a little higher on radar meaning that we have so much money in our funds that the State begins to notice. Does this make us better, worse or the same? What are your thoughts in terms of that?

Nick Jordan: It's two-fold. I look at when you go to talk to State Legislators they will bring up whether you have the option to increase fees or taxes. Or secondly, they may say to your point if we are going to ask the Public Defender Commission for reimbursement and they want to know the balances that we have, it may not sit well with them when they say they are not going to increase the reimbursement that we are going to pay you is you are already sitting on this. I don't know that for sure and could be dependent on the Legislators that you talk to. I would venture to guess that if you have the money sitting there, they may say what are you going to use this money for? I don't know if it is as much at the State level as it is at the local level of constituents.

Tom Harris: But we can see how it is played out this year. We have been critiqued that our Rainy Day Fund is too large but guess what we just paid the Coliseum \$3 million to keep it in good shape. That is why you have a Rainy Day Fund.

Nick Jordan: My guess is you are going to see it worse because the State reserves just got crushed with COVID and the fact that our reserves are barely even touched.

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Kenny Fries: That brings me to the Rainy Day Fund for the citizens. Have we ever considered not increasing property taxes? If we are going to increase property taxes for non-farm to 4.2% which is \$3 million and it is raining in everybody's home just like it is here. It is going to have an impact of \$3 million on our budget. We have \$25 million in General and at least \$15 million in Rainy Day, why don't we give them a tax break and say no property tax increase in 2021?

Nick Jordan: I will try to sum it up quickly. You can definitely do that. The thing is as I mentioned with the Circuit Breaker Cap here with \$6 million, the actual Circuit Breaker losses are over \$40 million. What that means is when you say hey we are going to keep our levy flat. We are not going to collect this \$3 million and forego it till future years. You can always recapture it in the future. That doesn't mean that because Circuit Breaker losses are \$40 million and some, it means that some other Unit collects those dollars. You can say that we kept the levy flat but the schools, the Cities, Towns, Townships, the Library and the Airport, what they in essence do is the pie that can't grow they take a bigger piece and we take a smaller piece. I don't know if it gives any piece of mind but the County has been able to save the last few years but it is only because assessed value is going up. Assessed value has been going up so greatly that our tax rate has actually gone down. Even though we have increased our levy, three percent or four percent or three and a half percent, the tax rate has gone down because the assessed value has been going up double what we are allowed to increase the levy. We decreased our tax rate because you can definitely do that.

Kenny Fries: The bottom line is we are paying more taxes. Because the assessed value is going up, we are still paying more taxes.

Nick Jordan: If you think in the City of Fort Wayne, the caps are one percent for a home and the rate is three percent, a \$75,000 house or higher is more than likely at the cap.

Kenny Fries: My opinion is we should do the right thing and not raise it. If the other government entities don't do the right thing then shame on them.

Nick Jordan: Whatever vote you take, we do what you tell us to do.

Joel Benz: I think it merits further discussion. There may be some other things we can do too.

Nick Jordan: And to Ken's point, let's say you say you don't want it in the General Fund but we want to give it to the Board of Health, the Board of Health has a property tax levy as well. They have a balance right now but

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they also have a property tax levy. You have the ability to move that \$3 million, as example, to a different levy if you want to. The main thing is procedurally the departments will come back in September and appeal. What you guys are doing today, if you want to is telling departments to keep their allocation flat with the caveat if you decide to give a raise, we will increase that. If you can't work within the allocation, you are going to come back and appeal in September. If you didn't want to do that then today you can see on this sheet the adjustments that we already made by department level. If you wanted to change somebody's allocation today and then they can come in September and appeal that new amount. If you want to do something with allocations, it would be great to know if you also want to do raises.

Tom Harris: Just a question on that. With the Sheriff, you say keep it flat the Work Release has been pulled out.

Nick Jordan: Yes, this adjustment of \$1.47 million that has taken the Work Release out.

Sheila Curry-Campbell: Have we heard anything else about the grant for Community Corrections?

Nick Jordan: I have not. I would only say on the cycle, the way it usually works is they are submitting the budget tomorrow to the State for the award for 2021. If they are getting an award for 2020, I don't know where that process stands.

Kyle Kerley: I know when it comes to salaries it is one thing we had discussed going into this year was to hold the salary line flat basically so they did not see a decrease in their W-2 number. It would actually be a little bit higher than three percent, would it not?

Nick Jordan: If that is the motion you would make then we will do the calculations so that it equates to that but the 27th pay would equate to be more than three percent. The thing to take in is that some people didn't get a 27th pay. That is the thing to also consider that if you didn't want to give those that didn't get the 27th pay we would need to know what that percentage is. We want to make it consistent.

Sheila Curry-Campbell: One last question, Mr. President.

Nick Jordan: I am not President.

Sheila Curry-Campbell: No, I was asking for permission and looking at the President over here and asking for permission. The Miscellaneous, I know we

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have talked with folks and Chris was here today about the laptops and folks working remotely from home. Do we have anything in here? What all is in the County Miscellaneous?

Nick Jordan: It is the last page that I have given to you. There is a line-by-line of everything in there. In the example of the laptops that you mentioned, they were asking for that from the CUM CAP Fund. If they buy those from the CUM CAP Fund and get the Cares Act reimbursement, which they more than likely will, it will go into the CUM CAP Fund and wouldn't have any effect here. If we had bought these from the General Fund, then we would put it on this page for those laptops. Since the expiration period is at the end of the year to seek the reimbursement for expenses in that window, I haven't factored anything in here just being conservative because right now we haven't had a ton of COVID related expenses that we are seeking reimbursement for. We will have some coming, the laptops and we bought a firewall, the Plexiglas we have installed and we have talked about doing things in the bathrooms so there won't be as much touching. More than likely we will receive the reimbursement in 2020 if we do the expense in 2020. It's a pretty quick turnaround of about two weeks from when we send it to them and they send the reimbursement back. There is nothing in here related to Cares Act reimbursement, at this time.

Chris Spurr: From what I understand, you kind of see those channels opening up because it was my understanding that the focus is very narrow right now for the Cares Act.

Nick Jordan: I would say anything related that we could tie to it, like this laptop is used for teleworking that is eligible. There are five buckets you can use it from. I would say the one area that has been the most gray is on personnel expenses which they have somewhat cleared up. If it was budgeted for 2020 and you are still doing the nature of your job, you are not going to get reimbursement for it. They have given some examples of what they would give, the Board of Health has \$30,000 to \$50,000 that they are going to send because it is above and beyond what they anticipated and we will see if that works. What we gave for the Juvenile Center and what we gave for the Sheriff and the other departments that we have given Pandemic Pay to, if it was within the budget and they were doing their job it is what the Commissioners chose and the Council chose to give them in addition to their current salary.

Kenny Fries: I know Beth from the Election Board is going to come for \$200,000 because of the COVID issues. Is that something that is something she will be able to apply for?

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Nick Jordan: Yes. If we think it is reasonable, we will throw it in there. It is a two-week turnaround and they will let us know. I believe the window is 12/31/2020 for the expense. As long as we abide with that and submit the reimbursement for it, we have a \$12 million bucket that is shared with any private entities that the Commissioners that meet the qualifications, I believe the Library but I don't think the Airport can claim it at this time. It is not just the County's bucket but the Cities and Towns have their own.

Kenny Fries: I guess I should have paid better attention. She said they are going to apply for \$169,000 through the Cares program.

Tom Harris: From the Auditor's needs at this point, is for us to come up for some recommendation that we might want to do with an increase. I will just throw out my two cents worth on that is one could anticipate that next year the economy is going to go down and tough times are going to happen. One could say that based on Allen County's trend right now things are still making it. From my standpoint, what I am concerned about is we did pay adjustments about two or three years ago and to make the pay right and not have high turnover. My concern would be more so that we don't give a raise of some kind and then the economy continues to kick and people simply go to where the money is. I would be more in favor of what you have at least listed on here of a three percent for County employees going into this next year. When the tough times happen, when the economy is going down, it is going to take about a year to two years before we are faced with it. When that happens I think those are the times we can pull back and go with no increase or a smaller increase. I think we are still strong in the County.

Nick Jordan: For assessment for Pay 2021, we are gangbusters for real estate which drives the property tax and even halfway through 2020 houses are still selling in an instant. Commercial real estate, maybe we will see less renting of that. Maybe something will change with telework and it will drive down on those assessments if it is based on an income approach. There is no indication aside from Income Tax Revenue that we would see a significant drop in 2021.

Joel Benz: I will say on a national level I think those winds are shifting. The top three banks, JP Morgan Chase, City Group and Wells Fargo, last fourth quarter they set aside \$4 billion for bad loans. This quarter they set aside \$28 billion.

Nick Jordan: Those projected earnings, JP did.

Joel Benz: That is true. I am just saying those are specifically for mortgage losses and bad mortgages. I think there are some storm clouds out there that

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we need to be cognizant of. However, I agree with Councilman Harris that it is probably a fair number.

Kyle Kerley: The only thing I guess I would like to see, because we had talked about it, was for those employees that had the 27th pay period, they effectively get a raise because there are only going to be 26 pay periods. I don't want to see them have a decrease in their W-2. Whatever that number is, whether it is 3.2% or 3.4%, I know it is not exactly three percent but we are splitting hairs. I am not going to hold up the meeting over that.

Tom Harris: How do you communicate that to your staff?

Nick Jordan: (Inaudible) unless the percent was equitable across the board, we wouldn't be able to generalize and if you wanted to keep it so the salary is flat for those that received the 27th pay that is what we will communicate. The salary in 2020 with the 27th pay will be the 2021 salary. For those that didn't get the 27th pay and you guys want to do something, we will communicate that.

Kyle Kerley: My concern is so employees understand if we just did a three percent pay raise, those employees that got a 27th pay would actually see a decrease on their W-2. I guess what I am saying is that I don't want that to happen. I don't want them to think we are just paying them the same amount because they will see a 3.2%, 3.3% or 3.4% increase on each paycheck.

Tom Harris: So, how do you do that for some and not others?

Nick Jordan: The ones that didn't get the 27th pay...

Tom Harris: Is that a minimal number?

Nick Jordan: Yes. I think it would only be Elected Officials, did we give it to Special OCC's?

Jackie Scheuman: Yes.

Nick Jordan: And so it is even less than that. I think Elected Officials and Chief Deputies are it. That is less than 25 people.

Kenny Fries: The \$2,600,000 that is listed here for the three percent increase, is that for all County employees?

Nick Jordan: Yes.

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Kenny Fries: In addition to the 27th pay?

Nick Jordan: That is for all County employees. Is that based on with the 27th pay or without the 27th pay?

Jackie Scheuman: With.

Nick Jordan: So with. It would be not to Kyle but would be somewhat bringing them back to even if it was based on the 26 pay amount and add the three percent and be within .2 or .3.

Kenny Fries: With this \$2 million, they would see a drop in their paycheck.

Nick Jordan: It would be a sliver. Whatever that magic number that the 27th pay is to their overall...

Kenny Fries: If we wanted to have them see an increase in their paycheck come 2021, it would be a six percent.

Kyle Kerley: Are you talking their paycheck or the W-2?

Kenny Fries: I am talking their paycheck. When they look at their statement every two weeks to see more money going into it than this year, we would have to do a six percent increase.

Kyle Kerley: So last year, say someone's salary was \$10,000 and I am using simple math, and we gave them a 27th pay period their W-2 would show \$10,400. This year their salary would be \$10,000 and the W-2 would show \$10,000 and with a three percent increase the W-2 would show \$10,300. They would still see a higher per paycheck increase but they are going to see a lower W-2 amount. Does that make sense?

Kenny Fries: It makes sense to me but it will not make sense to most of the employees.

Kyle Kerley: So any raise that we give them will show up on their paycheck. If the raise is less than the 27th pay amount, the W-2 at the end of the year will show a net decrease.

Nick Jordan: On \$50,000, the 27th pay is \$1,851 and \$50,000 on 26 pays is \$1,900. In that instance you are keeping the salary flat. You can see the difference they will see each pay. The W-2 would net-out to the same \$50,000. That is to show the difference on a per-pay compared to annual.

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Kyle Kerley: Regardless of if we vote a raise, they will see an increase in their paycheck. It is just are we going to decrease their pay for the entire year by what percentage we go with.

Joel Benz: Nick, historically, what have we done? We have done three percent, two percent, one percent but in the last few years it has been three percent.

Nick Jordan: I don't think it has been one percent. You have been three percent for the last five or six years.

Chris Spurr: This three percent idea, since I am new here, the figure is arrived from where? Is it attached to national inflation rates that we are gauging it against? What are we looking at?

Nick Jordan: If you want to dig in, when I pull the sheet up it will actually show some of those stats. I look at CPI, the Bureau of Economic Analysis, the average for Allen County including the private sector, the local government piece and this has a lot of stuff on it. We can walk through this as you choose. To Joel's comment, you can go back to here or back five years, whatever you want to do and those are the raises that have been given.

Kenny Fries: To help Chris, if you go back to 2011 or 2010, we had years where we got no pay raises.

Nick Jordan: In 2013, we kicked (inaudible).

Chris Spurr: My assumption is that in bad or tough economic times, those zero percents are going to reflect that, right?

Kenny Fries: Right and what happened was we were falling further and further behind like other Police agencies. They started picking up three percent and three percent and one year I think they got more than that to try to get more equity with other Police agencies to try to make it more attractive to come to work for Allen County.

Chris Spurr: Right but looking at those numbers, I see zeroes going back to 2010. I see coming out to 2016 that wouldn't necessarily reflect a relational catchup period.

Kenny Fries: No and that is one thing I always asked when I was Sheriff. At least give a cost of living increase and not have the employees go backwards. If the national cost of living is 2.3%, at least give them that.

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Joel Benz: But also remember, I think it was 2016 we adjusted the whole grid system. In 2017, maybe, we adjusted the Sheriff's grid system. Independent of a cost of living, we shifted all of those.

Nick Jordan: In 2017 was the first year that the civilians kicked in and 2018 was the first year was the Sworn Officers. That changed the percentage from what grid they were on.

Joel Benz: We are purely debating a cost of living across all of the grids.

Sheila Curry-Campbell: When do we need to make a decision on this?

Joel Benz: Typically we try to give guidance at this meeting so Nick can do his numbers. Go ahead Councilman Kerley.

Kyle Kerley: I just did the math and the 27th pay period equated to 3.8%.

Kenny Fries: And each percent is another \$700,000. If we go 3.8% we are talking about \$600,000 and some.

Kyle Kerley: Our actual wage number that we are budgeting would actually stay the same minus step increases, if that makes sense. We would be telling the departments that they would spend next year what they spent this year but employees would see a 3.8% increase on their paycheck but the W-2 would basically stay.

Joel Benz: More or less, we gave them a bonus over their salary last year.

Kyle Kerley: For ease, we could just say four. I don't know what everybody here is comfortable with.

Tom Harris: I would be more comfortable with three percent. Maybe that communication happens through the Auditor or through HR that they had received that extra week and probably this is happening nationwide, right? I would have a little bit of heartburn going higher than that number.

Kenny Fries: How about 3.5? That increases the overall budget by \$350,000.

Nick Jordan: The 3.5 over the \$50,000 they are getting paid this year, right? Is that what you want to do or do you want to drop back or if it was 3.8% they will see a .3 decrease.

Kyle Kerley: I think in all of the discussions we were backing out the 27th.

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Nick Jordan: That's fine.

Kyle Kerley: We are just deciding whether the end number is going to match what the 2020 total pay was or not.

Joel Benz: How about we go around the table and say what you are comfortable with? The majority will be what we provide as guidance. Is that equitable to all of you? Do you mind starting?

Sheila Curry-Campbell: 3.8%.

Tom Harris: I am more worried about the overall message. That is where I would go with the 3.0%.

Nick Jordan: That is 3.8 and 3.0 over their 2020 salary, correct?

Sheila Curry-Campbell: Correct.

Kyle Kerley: Excluding the 27th.

Nick Jordan: When we get to you. You want 3.8% over the 2020 salary. You want 3.0% over the 2020 salary.

Tom Harris: That is correct.

Nick Jordan: If I am making \$50,000 that is times 1.03.

Tom Harris: Yes.

Kyle Kerley: Let me ask, does the \$50,000 include the 27th?

Nick Jordan: It is \$50,000 regardless of the pays. If they make \$50,000 this year, if you are going to do the 27 or 26 pays then back it down and say what they make on 26 pays they would make \$48,000.

Kyle Kerley: That is what I am saying. The salaries are based on 26 pays. That is where I think we are getting confused.

Jackie Scheuman: Not the 2020.

Nick Jordan: They will be in 2021. In 2020 they were bumped up for the 27th pay. For 2021 we will bump them back down to 26. What we need to focus on is if someone is making \$50,000, do you want them to make 3.8% higher, the same meaning that...

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Kyle Kerley: I am looking at it by paycheck. If you say that someone is making \$50,000 and you divide that by 26 or by 27, it is a different number. What most employees are going to look at is the paycheck. If the salary for a person is \$26,000, last year their salary became \$27,000 because there were 27 pay periods. We have to decide if we are going to take that \$27,000 and add a number to it and then divide it by 26 or if we are going to realize that the true salary should have been \$26,000 and adding the three percent to that.

Nick Jordan: This column is 26 pays and the 3.8% increase. If we were going to 2021, the \$19,2308 is their per-pay with 26 pays to get the same \$50,000. That is the 3.8% increase. Is that what you want?

Sheila Curry-Campbell: That is what Sheila wants, yes.

Nick Jordan: They are still getting paid the same.

Kyle Kerley: Yes. I would be 3.8%.

Joel Benz: I will do three percent also.

Kenny Fries: 3.8%

Chris Spurr: I am at three.

Bob Armstrong: Can I say 3.5%? I want 3.8%.

Nick Jordan: We will say 3.8% and they will be at the same pay.

Jackie Scheuman: We are doing 3.8% on the 26 pays annual salary?

Sheila Curry-Campbell: That is correct.

Kenny Fries: The W-2 next year will look the same as the W-2 this year.

Nick Jordan: Yes.

Kyle Kerley: What are we doing for the other 25 employees?

Nick Jordan: It is not changing. They didn't have the 27 pays.

Sheila Curry-Campbell: We are only talking about 25 people.

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Nick Jordan: The Elected Officials take the job and they know what they are getting into.

Sheila Curry-Campbell: Exactly.

Joel Benz: Council, thanks for that decision. That will give them plenty of guidance to move on. I don't remember that discussion taking that much time. We do have some other matters of business. With Councilman Brown's resignation it opens up to different Board appointments. We can discuss those today or we can allow them to be open. Those are the Joint Permitting Operation Board and Redevelopment. This would be for the remainder of this year.

Tom Harris: I have served on Redevelopment last year and am on the Plan Commission this year. Sometimes those two things kind of go together. I would offer to serve out the remainder of the term this year.

Joel Benz: Do we have anyone interested in the Joint Permitting Board?

Sheila Curry-Campbell: I had spoken with Cal about it and I was interested in Economic Development.

Joel Benz: I guess we need a motion.

Tom Harris: I don't know if I can move on myself. Is that wrong?

Joel Benz: I don't think you can move on yourself.

Kenny Fries: I will make a motion to have Tom.

Chris Spurr: Second.

Joel Benz: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 5-2 (Kerley and Curry-Campbell). Next we have the Joint Permitting Board. Do we have anyone to volunteer for that?

Tom Harris: I don't think they meet that often, do they?

Joel Benz: Monthly.

Kenny Fries: I think I saw Councilman Spurr's hand go up.

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Kyle Kerley: The Joint Permitting Board is a combined Board between the City and the County where all of the permitting organizations to discuss how permitting is going and software issues. Is that pretty accurate, Joel?

Joel Benz: That's fair. They started it to move forward with computer-based permitting.

Sheila Curry-Campbell: Do you need me to nominate someone outside of the Board?

Joel Benz: We could bring nominations at our next meeting.

Tom Harris: I would recommend someone from Council does this. There was a lot of controversy in the past in terms of trying to make sure that the system and the computers and the permitting processes got better. What the hiccup was that it was said don't build in Allen County. It takes too much time, effort and red tape and I would rather go somewhere else.

Kyle Kerley: I will nominate Sheila Curry-Campbell.

Kenny Fries: Second.

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

Tom Harris: Approval to waive the reading on any matter approved today for which it may be deemed necessary for the County Council meeting of July 16, 2020.

Kenny Fries: Second.

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

Tom Harris: Move to adjourn.

Bob Armstrong: Second.

Joel Benz: All in favor please signify by saying aye. Opposed like sign. The motion carries 7-0.