

ALLEN COUNTY COUNCIL MEETING MINUTES
August 18, 2022
8:30 AM

The Allen County Council met on Thursday, August 18, 2022 at 8:30 am in the Chambers in Citizens Square. The purpose of the meeting was for additional appropriations, transfer of funds in excess of the current budget, grants, and any other business to come before Council.

Attending: Robert A. Armstrong, Tom A. Harris, Sheila Curry-Campbell, Kyle A. Kerley, Paul W. Lagemann, and Ken Fries. Absent: Christopher Spurr.

Also Attending: Council Attorney Mitch Harper, Nick Jordan, Auditor and Jackie Scheuman, Finance and Budget Director.

Chairman Kerley: Good morning, and welcome to the Allen County Council meeting of Thursday, August 18th, 2022. I call the meeting to order. We will begin the Pledge of Allegiance and a moment of silence.

All: I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all. [silence]

Chairman Kerley: Amen. If you haven't done so already, and please I ask that you silence your cellphones. The first thing we'll do is adopt the agenda.

Council Member Harris: So moved.

Chairman Kerley: Motion. Do we hear a second?

Council Member Curry-Campbell: Second.

Chairman Kerley: Motion is seconded. All those in favor of adopting the agenda, say aye.

All: Aye.

Chairman Kerley: All those opposed? Agenda is adopted 6-0-1 (Spurr). We do not have the minutes yet from the last meeting, so we will move on to the financial report.

Nick Jordan: Morning Council, Nick Jordan, Allen County auditor. In your notebook, you see the financials through the end of July. You'll see both our main source of revenue, property tax and income tax trending ahead of schedule which we expect people pay more in the spring, income tax. We received a supplemental distribution which made that above estimates. The miscellaneous revenue, the remaining chunk of it, many categories trending ahead of our estimates. Our estimates are usually conservative, but we know the economy is still very strong.

Through the end of July, our local economic climate for building and planning still is strong as you can see for those line items. We did receive the state's 1.5 million or a little bit above that for the care of prisoners. It's a lump sum amount that is on the state fiscal year. I can handle any other questions you got in the miscellaneous revenue. If not, we'll handle the review of the max levies and the circuit breakers at the end of the meeting.

Council Member Curry-Campbell: Mr. President.

Nick: Yes, go ahead.

Council Member Curry-Campbell: The only other question I had was Lebrato. If you can share with the community about that.

Nick: Yes. Mr. Lebrato has signed a garnishment agreement and over 26 pays, he will repay the attorney's fees for the one law firm that the board decided he was to repay.

Council Member Curry-Campbell: What was that amount, sir?

Nick: Oh, it's a little over 6,000.

Council Member Curry-Campbell: Thank you.

Council Member Harris: The one lump sum for the sheriff is 74,000, is that going to be twice a year? Do we get another one of those or is that it?

Nick: It's not 74,000. It's--

Council Member Harris: Difference we include in tax warrants at 70. Maybe that's not [crosstalk]

Nick: No, no, no. Yes, so that would line on the miscellaneous revenue on the first page of it and the second section of intergovernmental revenues. The third one down is care of state and federal prisoners. We receive about a little over 1.5 million. It's a hold harmless. The amount hasn't changed for three years running now. When we had a lot of prisoners, we like to say we weren't being paid enough, now that prisoners have gone down, or inmates, excuse me, then now we're maybe on the positive side of it. That is where that revenue goes. That's why you see the 74% that it's at is because that 1.5 million came in during July.

Council Member Harris: You've got that as a state annual amount, so that's not something we'd receive later on, and that number is based on average?

Nick: Yes, it's based on an average.

Council Member Harris: We would anticipate that number to be?

Nick: That's a good question. Like I said, it's I think at least three years running now, that number has remained fairly constant, yes. I don't know if that will change into, but if it was, if they do revisit it or population has been down, then potentially it could.

Council Member Harris: Yes, very good. Mr. President, I move for the approval of the financial report.

Council Member Curry-Campbell: Second.

Chairman Kerley: Motion and multiple seconds. All those in favor, say aye.

All: Aye.

Chairman Kerley: All those opposed? The financial report is approved 6-0-1 (Spurr). Thank you, Mr. Jordan. In an odd occurrence that I have rarely seen as a council member, total

appropriation requested in the general fund, \$0, total appropriation requested in other funds, \$0. We will now open the floor for public comment. Is there anybody here for a public comment? Good morning. We would ask that you limit your comments to three minutes and state your name and zip code, please.

Brian Roemke: My name is Brian Roemke, 46743. I'm the Policy Committee Chair for Allen County Farm Bureau. I was asked by the president, Tom Miller to extend an invitation to all of you to our annual meeting on the September the 18th at the Kenworth Farm. Lunch is at noon. You've received the invite. We view it as a real good opportunity for you to meet your constituents and for us to meet with you just to build relationships. I hope that it would work in your schedule. Thank you very much.

Chairman Kerley: Thank you. Good morning.

Paulette Nellems: Good morning. My name is Paulette Nellems. I am in the 46816 zip code. I am here this morning to discuss, I see on your agenda, you're going to be discussing the jail financing options. I am an Allen County School Board member, I've been a board member for the last eight years. I ask that you guys really consider the impact that that jail will have on our community, our students, and not only that, the taxpayers. This morning when you discuss the financing, please take the children in consideration before you finance not just the jail, in our opinion, it will be a prison. Thank you.

Chairman Kerley: Thank you. Morning.

Sean Collentine: Good morning. My name is Sean Collentine. I'm 46807. I just wanted to be here to remind the council that you're our last bastion of protection for the plan that's going to be put forward by the commissioners. As the judge has asked, he needs several things from this plan. One is the safety of the prisoners. Two is the limiting of the capacity and the jail to its stated capacity. He needs more confinement offers to provide a safe environment, and he needs a long and a short-term plan on how they're going to do this.

The commissioners have apparently come up with one idea in spite of everything that everyone in the community is saying, we need an alternate plan. Unfortunately, we're put in a position or you're put in a position where in order to protect our interest, you need to see the plan also before you approve. There are so many things wrong with how we're approaching this thing. We have a community-wide issue, and it seems to be kept under the commissioners' hat until they decide that they want to go public with little bits of information, and there's no plan. Where's the plan?

I've sat in the federal judges' courtroom and he was questioning. He said, "Where's the plan? Where's the plan?" He's only asked for several things that aren't unreasonable, and yet we keep coming back to where's the plan? Well, why don't the commissioners put the plan out there so we can all react to it? We have a community of 300,000, 400,000 people in the area, and we can have plenty of input and try and help them through this. It's not the commissioners' issue, it's a community-wide issue. Let's deal with it as a community and not keep it under the commissioner's hats. Thank you.

Chairman Kerley: Thank you. Anybody else for public comment? I entertain a motion to close public comment?

Council Member Armstrong: So moved.

Council Member Fries: Second.

Chairman Kerley: Motion to second to close public comment. All those in favor, say aye.

All: Aye.

Chairman Kerley: All those opposed? Public comment is closed 6-0-1 (Spurr). The next item on the agenda will be a discussion of the 2023 budget and activities for the Allen County Library. Good morning.

Dave Sedestrom: Good morning.

Susan Baier: Good morning.

Dave: I'm Dave Sedestrom, chief financial officer for the library, with me is Susan Baier, the executive director. We're here this morning, as we have a number of years now, the day you are reviewing maximum levies and budgets, just to talk a little bit about what the plans for the library's operating budget are, and then any of the activities that we're planning for 2023. I'll start off with the discussion of the budget and the numbers. Then Susan will take over and talk about the planned activities for next year.

For the 2023 budget, as always, we will be staying underneath the growth quotient of 5%. Our maximum budget will be held under that. Of course, the internal budget is a balanced budget that will incorporate the tax cap losses of around \$2.5 million is what they're estimated at. That will bring the official budget that will be advertised at about \$37 million, and the internal budget, little more than \$33 million.

That's the plan for the revenues and the expenses. As far as the main initiatives in the budget this year, what we're dealing with is I'm sure no surprise to you that you've had to deal with it too, is the whole compensation and pay structure for the library. We're getting impacted because of the inability to stay competitive. We are planning not only a cost of living increase, we have got a study underway to review how the market competitiveness is with our salaries and our wages.

As always, the board of trustees will be reviewing all of that in starting next week, they will have their first meeting on the finance and personnel items. Those will continue through October and into November. November is the meeting that it typically then is pass what the compensation and benefit package will be. They'll have all the information from not only the outside studies but also our internal studies that we do with comparable libraries, et cetera.

We're still going to be maintaining a healthy library material budget. That'll be about 13.6% of our budget. We're increasing that mainly in the electronic area. That continues to be the highest growth area for ebooks, audiobooks, et cetera. That 13% is a very healthy number. In fact, it is higher than the 8% and 11% that you see state and nationally. We're very proud that we continue to maintain that high dollar amount being devoted to the materials budget.

We will still be maintaining a \$2.1 million capital budget for the repair and maintenance of the buildings. Obviously, we're looking at the facility master plan, but for next year, we still need to budget for the repairs and the upkeep of the building. Really, those are the main highlights of the operating budget where there is obviously no debt service levy for this year or next because the bonds for the previous expansion were paid off in December of this past year. The only budget that we'll be having approval or a tax rate for will be for the operating

budget. With that, I'll turn it over to Susan and let her discuss some of the more finer details of the activities.

Susan: The fun stuff. Yes.

Council Member Curry-Campbell: Mr. Pres, I just have a question.

Dave: Yes.

Council Member Curry-Campbell: Who is the outside firm that's doing that study?

Dave: I don't know the name of them. Sorry. HR department has arranged that and they're doing it. I'm not sure.

Susan: We can get that for you.

Dave: Yes.

Council Member Curry-Campbell: Thank you.

Susan: Absolutely.

Chairman Kerley: Go ahead.

Susan: Well, I'll talk about some of the fun stuff. Good morning, everybody.

Chairman Kerley: Good morning.

Susan: You all received a copy of our 2021 community impact report. A few highlights from that I'd like to share. In 2021, we had 1.3 million visitors throughout our libraries who borrowed more than 3.6 million items. We answered just over 73,000 reference questions. We have just over 188,000 individual registered borrowers. We had over 21,000 patrons attend 1,100 and 70 programs in person, and we had a virtual program attendance of close to 38,000.

We also thought it would be worthwhile to point out a figure that we obtained by using the business value calculator, which is a tool provided by the Urban Libraries Council. Using that tool, the library provided an estimated \$3.4 million in value to local entrepreneurs and businesses in 2021. That includes things like training, education, research services, physical space, use of our meeting rooms, and technology use.

We also just wrapped up our summer learning program at the end of July. It was so incredible to have what we call the normal summer reading program again, and our patrons and our staff were so relieved to get back to that. We had more than 12,000 participants read over 8 million minutes collectively. Our staff held about 670 programs and served more than 12,000 free lunches and snacks to give throughout the county.

Here's another metric that I thought was really interesting. In 2021, in the summer months of June and July, 23,153 youth items were checked out. Fast forward to those same two months, June and July of 2022, that number was over 83,000. That's a 260% increase in the amount of youth materials checked out. I think there are several factors in play for that. For one, we returned to our pre-COVID operating hours. We're open more, but also in December of 2021,

our board voted to make minor buying free. People under 18 no longer have to pay overdue library fines. I think the combination of those factors have really paid off as far as the amount of materials checked out by youth.

2022 has already been a very exciting year of additions as well. The Rolland Center for Lincoln Research opened to the public back in January. It's open seven days a week for free, on the first floor of our library. It is a combination of efforts from the library and the friends of the Lincoln Collection. Thanks to the generosity of a gift from Ian Rolland.

It highlights the thousands of amazing items in our Lincoln collection that includes original photographs of Lincoln and his family and his generals, letters and documents to and from Lincoln, diaries of Civil War soldiers and so much more. In May, June, and July of this year, the Rolland Center had about 6,000 visitors. If you've not been yet, I encourage you to come and if any of you would like a private tour by one of our Lincoln librarians, please contact me directly, we would be thrilled to set that up for you.

Another attraction that is opened at the library this summer is our newly remodeled story scape. That's at the main library in the children's department. It is an Early Learning Center. That's an interactive hands-on literacy and imaginative play area. It is tailored for children seven and under and their caregivers. The remodeling and upgrades that we made were made possible due to a \$250,000 gift from our library foundation.

It is a very active, colorful, joyful space, sometimes a little loud, but that's okay. We have doors that we can close. We encourage you to come by and see it in action because it's really something to see. We are so grateful for your time this morning and your support. Dave and I are happy to answer any questions.

Council Member Harris: Yes, just a few questions. One is, thank you for the information. One of the things that I like to see is trends in terms of how such as library visits, what's that trend look like over a two or three-year period. We've got the 2020 anomalies that throw everything off, but if there's a way to look at what that. Then you've got library visits at 1.3 million, but what are they coming in for? Do you have any way of tracking what they're coming in for? Are they coming in for library materials? Are they coming in for events that are being held and such?

Susan: That's an excellent question, I would say yes and yes, they are coming in for materials, they are coming in for events. They are coming in for space, for our meeting space, for our study space. They are coming in for Wi-Fi. Something that we have seen over the past few years. I would say 10 years ago when people are coming to the library to use a computer, they are literally coming down to sit at a hardwired PC to use a computer. That's still happening, but now that it's shifting, more and more people are coming with their laptop with their phone. They want a place to plug in, settle in, get on our Wi-Fi, do a zoom, connect with workers.

We have people who have their own solo businesses or small businesses and they use our resources to work. I talked a few months ago to a woman who is a regular patron at Monroeville and where she lives, she does not have reliable internet and she said that without the internet that our library provides, she would not be able to be a remote worker. She depends on us.

Council Member Harris: That 1.3, if you break it down, do you show a percent is coming in to check out materials, a percentage here for activities or percent uses our Wi-Fi? Do you show it that way? Do you get into those weeds if you want to--?

Susan: I don't have that today. That might be a challenging thing to track exactly because so many of those things overlap. They're coming for multiple reasons. They're coming for the program and then they check out a book or they're coming to use our Wi-Fi and they're going to check out a book later, but that's an interesting thing to look at and we could work a little better at breaking that down. Thank you.

Council Member Harris: It might assess and evaluate what their needs are at that point. How about the color? What color are you looking at?

Dave: I've loaded 5% in for the '23 budget. Of course, like I said, in November, it will be the final decision by the board as to what action they would take on that, but I've loaded five into the budget.

Council Member Harris: Got you. There's talk of bond need and such. Is there a timeline that the library or the boards looking at to come before council will present something more official? We're not in a rush. I'm just saying on my behalf, I can't speak for everybody, but knowing that you're coming in three months or six months is helpful to understand.

Susan: Sure. That timeline is still being evaluated by our boards. We continue to refine and analyze the plan. The plan in its entirety, it's about 200-pages long, is available at your acpl.org. We've had a tremendous amount of community engagement over these past few months about the plan, and we're hearing a lot of enthusiasm and support.

Council Member Curry-Campbell: Can you just speak a little bit about library at-home checkups?

Susan: Yes. I'm so glad you asked about that. Just last week, WBOI did a wonderful piece on this service. We have an outreach team and they visit multiple assisted living and nursing home facilities throughout Allen County and bring items to checkout. Sometimes they'll leave satellite collections there. They'll leave a small library that the residents there can use. They also do programming there, and they also do home visits to people who are unable to come to the library themselves for medical reasons or other things.

They will drive to their home and leave books on their porch and take requests. It's just a remarkable service and we particularly heard during the pandemic that this was a lifeline for people. They really build a relationship with our staff. For some, this is one of the few public contacts that they have because of the stage of life that they're in, and they really depend on us. It's a wonderful service.

Council Member Curry-Campbell: How many van do you have? Do you just have one or?

Susan: We just have one. Funny you ask that, because we actually had plans to buy a second one and received a partial grant through the state library to buy a second one this year. Unfortunately, due to supply chain issues, that order was canceled. We are looking at potentially buying a second van next year, but it's really hard to manufacture vans right now apparently.

Council Member Harris: A grant doesn't go away though.

Susan: We actually used the grant for upgrades to our existing van. The van we did have needed a new lift, so you could move the carts in and out and also needed shelving. We were able to use that money instead to upgrade the existing van because there was a timeframe as to when we had to spend those funds.

Council Member Harris: Thank you.

Chairman Kerley: Mr. Lagemann,

Council Member Lagemann: It seems to me anecdotally, at least, that the most significant economic impact that comes from the library has been the Genealogy component that you all feature downtown. Can you talk a little bit about that and have you calculated the economic impact?

Susan: That is a great question and I would absolutely agree. We are seeing those crowds come back. The Genealogy Center is a national attraction for people. People literally come from all across the country just to Fort Wayne to spend several days here using that resource. We have been working with Visit Fort Wayne to get firmer numbers on what that economic impact is. It's estimated that it is a few million dollars in indirect economic impact.

It also allows Fort Wayne and Allen County to attract national and international conferences. For example, next June during Germanfest, Fort Wayne will be hosting the International German Genealogy Conference. One of the main reasons they are coming here is to do research at the Genealogy Center. We're working closely with Visit Fort Wayne and the conference organizers to make sure they have a wonderful experience.

Also, our Genealogy Center produces those virtual programs that I talked about earlier, and they truly attract people from all over the globe, but is not uncommon for people from Australia to tune into our programs. These are folks that they are learning about our services online, and then they get really invested and excited about what we have to offer and plan trips here.

Council Member Lagemann: Great. Well, I hope we continue to compete favorably with Utah, so.

Susan: Absolutely.

Chairman Kerley: Mr. Armstrong.

Council Member Armstrong: I only have one question. Can you tell me how many buildings, libraries we have in Allen County?

Susan: Yes we have a main library. We have 13 branch libraries, and then we have a back-of-the-house Administrative Building [unintelligible 00:25:31] that houses our IT.

Council Member Armstrong: All right. Thank you.

Council Member Harris: I guess along with that, number of employees and number of openings maybe that you have now.

Susan: Our number of employees fluctuates a bit based on the season. Right now, we're at about 360, and that is full and part-time, and I just looked this morning online to see what our vacancies are, and I believe it was maybe 15. Does that sound right, Dave?

Dave: 15%, yes.

Susan: 15%. We're aggressively courting employees as we all are. Besides, of course, compensation and benefits, which we are all looking at. We're also looking at how to retain employees once we get them and how to make it a really engaging and exciting place to work. We recently hired an employee experience coordinator who is looking at all of those things, all those soft things, right? Just how to create the culture, how to invest in our employees, how to make sure that they feel supported doing work that really means a lot to them.

Council Member Lagemann: What is your employee retention? What do those numbers look like right now?

Susan: Our HR director is working on those as we speak. I believe the last she checked, was it around-- we had about a 15%.

Dave: Yes,

Susan: Retention?

Dave: Right. Yes. I mean, it's been so up in the air the last few years. I mean, it's not uncommon. I was just talking with our maintenance manager yesterday. The issues of somebody coming to work three weeks later, turning in their resignation, because they're taking a job that pays more. It's gone crazy the last couple of years.

Susan: We're being more creative and intentional about working with community partners to make sure that our openings are getting in front of a diverse audience. That's been very helpful as well.

Council Member Harris: Dave, I think you mentioned the capital repairs amount was 2.1. With the needs of the library, you said you're maintaining that number. Why wouldn't you have increased that number or any thought to increasing that number as the needs of the library or--?

Dave: I should clarify and break it up. The 2.1 includes not only the ongoing maintenance, but also special projects that we have. We have seen the maintenance side go, to answer your question, from around 700,000 to almost a million of that 2.1 million, we still have to allocate about 1.1 million in there for special issues, whether it's upgrading the network services last this year, we had to put in a new phone system because ours had reached its end of life. We're right now in the process of replacing all of our security cameras because they too are at end of life. Those all fall into those special projects, the ongoing maintenance, whether it's fixing the HVAC fan or some other thing, has been growing from about 700,000 to about a million dollars of that [crosstalk].

Council Member Harris: Is that been a trend or is that just this bump?

Dave: That's a trend. It's going up.

Council Member Harris: What was it a few years back? Do you recall?

Dave: Around 700,000, 720,000. Yes. It's not only the ongoing things. It's just even like service contracts for your HVA service and control systems that have gone from like 200,000 a year to 240,000. They all kind of escalate.

Council Member Harris: Thank you.

Chairman Kerley: Any other questions? Okay. Well, thank you.

Susan: Thank you.

Dave: Thank you. I appreciate the time as always

Chairman Kerley: Economic development.

Rachel Black: Good morning.

Chairman Kerley: Good morning.

Chris Bernauer: Morning.

Rachel: Rachel Black, Allen County Economic Development.

Chris: Chris Bernauer, Harris and Cypress Cay Pontoon.

Rachel: All right. Today on your agenda, we have a resolution 2022-08-18-01, waving non-compliance for Brunswick Leisure Boat Company, LLC. They are requesting a waiver of non-compliance for failure to file their statement of benefits form prior to the initiation of development, where the company desires to claim a deduction. They applied for the improvement location permit with the department of planning services on June 13th.

In your tax abatement policy, the applicant is allowed to request a waiver of non-compliance if the company files the application within 30 days of applying for the permit. The applicant must also pay a fee and request the waiver and a letter, which was in your packet for your consideration as well. The company did submit their application for tax abatement within that 30-day window. They as well submitted the fee of \$500 and the letter.

Also included in your packet is the resolution for your consideration to approve the waiver. If the council so desires to approve that waiver today, the company would come back before you next month to hear the request for tax abatement. Just a little bit of detail. I don't want to give too much just because that's what we would go into next month if you decide to approve the waiver. The company is planning to expand their business with a 17,000-square-foot building, as well as add a new fiberglass line. That investment totals \$4.5 million.

They also plan to retain 356 jobs with salaries over \$19 million, and they also plan to hire 38 more employees with this investment with salaries around \$1.5 million. Chris would like to address council, just giving you a little bit more background about the company, and then we would be happy to answer questions that you have today.

Chris: Good morning. Thanks for having me today, much appreciated. In the Fort Wayne operation on North Hadley Road, we produce Harris and Cypress Cape Pontoons. Harris is

our primary brand in that location. Harris pontoons have been around and located in Fort Wayne, Indiana since the mid-'50s. It was actually founded and started here in Fort Wayne, and based here since then.

We are very much known as a premium provider of pontoons in the vast pontoon segment. We're super proud to be manufactured here. Brunswick Corporation, a publicly held Brunswick corporation who also owns Mercury Marine, Boston Whaler, Sea Ray, Bayliner, purchased Harris in 2015. The business was relocated to the North Hadley Road location. As was stated, we currently employ about 350 employees and are looking to grow that as we continue to grow and we've got every major function you would expect of a big business.

We have design, R&D, manufacturing, operations, procurement, sales, et cetera, all located out of that location. In a pontoon boat, the fiberglass components are critical, not just from a functional standpoint, but they're becoming more and more important from a style and strategically important to differentiate one brand from another as consumers look at the options that they have in this crowded pontoon segment.

That as well as some of the supply chain disruptions were the reasons that we felt that the company wanted to bring fiberglass manufacturing in-house. We will still continue to leverage external fiberglass suppliers as needed. We want to bring this in-house so we can own our design, we can own the supply chain, and we can have the benefits of in-house control of those components.

Brunswick being a major boat manufacturer has other fiberglass plants around the country. We did look at locating this facility in our Knoxville facilities where we also make Sea Ray boats, as well as our Florida facility where we make Boston Whaler boats. We decided on balance to put the facility here in Fort Wayne, Indiana, to have it close to our facility, close to our design committee, being close to our operations.

One of the biggest reasons we missed the waiver timing was that it never happens, but our building supplier actually was able to pull forward the building timing by several months because of a lost contract that they had. We didn't want to lose the opportunity to get in the queue with them, and start and get this project moving and get the project finished sooner than later. Everything got fast-forwarded very, very quickly and thus were here today. Thank you again for your time. Happy to answer any questions,

Chairman Kerley: Mr. Harris.

Council Member Harris: Just, I guess with the, from the economy to, I guess lake Mead or whatever, how does the future look, maybe in this coming year and such. I know we're-- I recognize that'll be coming before us next month, but since you're here, I thought I'd want to ask, and I like your shirt by the way.

Chris: Thanks. I like it too. Listen, the boating segment is still very popular. Interest in boating is still very, very strong. In the pontoon segment is by far the largest segment in the freshwater boating industry. We're going to sell between 65,000 and 70,000 pontoon boats in the United States in the calendar year. It's a huge pon-- It's a huge segment. It's very fragmented. So many, many brands are playing in this particular pontoon segment. I think between the very large segment, strong interest in voting, and quite frankly, our ability to compete and win and grow market share, I'm super bullish on our future.

Council Member Harris: Footprint nationwide, regional?

Chris: Nationwide.

Council Member Harris: Okay.

Council Member Lagemann: First thanks for coming. Just a couple of two, my colleague, I want to make sure that everyone knows that freshwater in Indiana is abundant and we, if you'd rather not go to Las Vegas, you can always come here and recreate. Second of all, can you talk a little bit about your production style? I know I've been through your facility, and I've also been through a number of the RV manufacturers in Elkhart. Those are piece rate pay, which is very unique or different. It is the center of RV manufacturing. How are you different in that regard? Can you talk a little bit about pay rates for your folks?

Chris: The production line for us is production is an assembly line. It's a station build assembly line that moves through the facility. With a day rate expectation, we operate on a tack time unlike which is similar to the RV industry. Unlike the RV industry, we do not pay a day incentive or a weak incentive on unit output. It's not that we haven't considered it. There's pros and cons to that type of pay structure. So far the cons have outweighed the pros. Our tack time is designed for a specific number of unit. Our employment is designed for a specific number of units per day, and that's our goal.

We do pay a productivity bonus to our employees on an annual basis based on quarterly performance. There is an output per person in the building incentive for our employees, but it's not a daily or weekly incentive like some of the RV businesses are doing. We start at, I think, \$17 an hour and then have about a one-year rapid pay increase to help not only attract but then retain people once they give, get there, get the next carrot. Then we have folks in the building making mid to upper \$20 an hour depending on the technical nature of the role.

Council Member Lagemann: Great. Thank you.

Chairman Kerley: Mr. Fries-- Oh yes, please.

Council Member Curry-Campbell: How many of those employees are temps?

Chris: Oh, we probably have-- I might have to phone a friend on this one. We probably have about 20 or 30 temps in the building. We really try to focus on full-time employees. We find that our retention numbers with full-time employees are better. They also get to take advantage of the Brunswick benefits that Brunswick offers.

Council Member Curry-Campbell: The 36, you're looking to hire another 38 employees?

Chris: Yes.

Council Member Curry-Campbell: Those will be full-time jobs?

Chris: Full-time roles.

Council Member Curry-Campbell: What type of jobs would those be? I'm just--

Chris: It's fiberglass assembly, so it's everything from laying fiberglass and molds to gel coating, to cutting the molds for use in final finishing for use in the boat. Fiberglass, its fiberglass production.

Council Member Curry-Campbell: This fiberglass line that you're bringing in, is that only going to be catered to your market, or will there be opportunities for other individuals to come in and use that?

Chris: No, it will be dedicated to our Fort Wayne operations. There is a possibility that we would produce parts for other boat companies that Brunswick owns. We own Lund fishing boats, Lowe fishing boats, Princecraft. There are other boat brands Brunswick owns that we would consider making parts for, but we would not be making parts for other boat companies or RV companies.

Council Member Curry-Campbell: Okay. Thank you.

Chairman Kerley: Mr. Harris.

Council Member Harris: Oh, Mr. President, thank you for the fee that you paid and recognizing our process and we anxiously await more information, I guess, next month at this point, but I'll move for approval of resolution 22-08-18-01, waving non-compliance for Brunswick Leisure Boat Company, LLC.

Council Member Lagemann: Second.

Chairman Kerley: Motion and a second. Any further discussion?

Council Member Fries: Yes, you said on North Hadley Road, there was also point of sales. Do you have a sales department there on Hadley where somebody could come and buy a pontoon boat?

Chris: No.

Council Member Fries: Okay.

Chris: We have salespeople,

Council Member Fries: Sales team?

Chris: Sales staff. We do not have point of purchase.

Council Member Fries: If somebody wants to buy a Harris pontoon, where do they go?

Chris: The closest dealer is dry dock up at Lake James.

Council Member Fries: Okay. Thank you.

Chairman Kerley: Motion to close discussion.

Council Member Armstrong: So moved.

Chairman Kerley: Second?

Council Member Curry-Campbell: Second.

Chairman Kerley: Okay.

Chris: Thank you.

Chairman Kerley: Now, to move on to the motion, to vote on the motion to waive a non-compliance, you have a motion and a second. All those in favor, say aye.

All: Aye.

Chairman Kerley: All those opposed? Motion passes, 6-0-1 (Spurr). Thank you, and we will see you next month.

Rachel: Thank you. See you next month.

Chris: Sounds good.

Council Member Curry-Campbell: Thank you.

Council Member Armstrong: Thank you.

Chairman Kerley: Surveyors department and acting surveyor and future surveyor. Welcome.

Mike Fruchey: Yes, great. My name is Mike Fruchey. I'm the interim surveyor, I guess, until I swear in in about a month from now, but big challenge, but I'm embracing it. We're moving forward on a number of things, but I look forward to a collaborative relationship with county council and not necessarily the relationship that past elected surveyors have had.

Certainly, I want to work with you for the citizens of the county and for their best interests. So know that, been a career public servant, so that's my life in 30 years, and professional engineer, and look forward to helping you guys if you have any questions about anything to help frame it up and help get a better understanding of the challenges that we're up against.

Today, I have a transfer request in our cornerstone fund for a difference in a vehicle price. We had a vehicle in the budget for cornerstone at \$35,000. That same vehicle we purchased in 2018 for \$28,000 and now we're able to get one. We're fortunate to be able to get one maybe by the end of the year, would be constructed in the fall for about \$44,000. The difference that we're asking this transfer is \$9,470.

We did not hire a summer intern, so it's from our 100 line to our 400 line to cover that difference. That's what is in front of you today. I wanted to just briefly talk about the Cornerstone issue, in general, to brief you guys on it. I'm certainly learning a lot about it. My role in the surveyor's office for four years was as a hydrologist doing water quantity review and working on keeping our development stuff moving and assessed properly.

I didn't get into this area too much, but I've dug into it now pretty deeply to know what our challenge is here. Our state mandate, these are cornerstones, are what they say they are. They're stones that are buried about three or four-feet deep. They might have a two-foot diameter and they come to a point. They're about 2,400 of these stones in Allen County that were laid by the federal government, and maybe like I said, the early 18 hundreds.

All property lines are based off of these stones. Okay, so they're very important that we maintain this network. Our state mandate in Indiana code is to do 5% of these a year. That would be theoretically 120 a year. We have not met that mandate for 20 years now. Okay, this shows you in this graph cornerstones by year from about 1999 to 2002, we did meet our 5%, but that's the best we've done in 30 years.

I think it's always taken a backseat to development and other things, but I'm telling you, we can keep development moving forward and still get this task accomplished. If we go to the other slide here, cornerstone fund balance, a few years ago the county surveyors in the State of Indiana lobbied the legislature to increase the recording fee because they didn't have enough money to deal with these cornerstones and to upgrade them properly. Okay, so they got that increase through the state legislature.

You see in a rapidly developing county like Allen County what that means to us, our fund took off almost exponentially. That fund has almost 1.6 million in it, brings in over \$400,000 a year now. Obviously in a recessionary environment, that might change and reduce the amount coming in, but the money is meant solely for the purpose of doing this cornerstone work and perpetuating these cornerstones, and so the work needs to be done. Two years ago, we did--

Council Member Fries: These are state funds, by the way, is that state funds coming to us or--?

Mike: No, these are out of the recording fees for every document that's recorded.

Council Member Fries: Okay.

Mike: There's a portion put into this cornerstone fund to do specifically this work and it just has not been done. We had two employees that are paid out of this fund that just didn't get any support. By Indiana law, this cornerstone work has to be signed off by a registered land surveyor that's a voter in Allen County. It has to be a Allen County resident that does this.

I did request for proposals RFP two years ago for this work as I was directed to by the county surveyor. To do that, I contacted 12 firms locally. 10 firms had the necessary requirements by state law. Six of those firms submitted proposals two years ago. Larry Weber and I analyze those. We recommended those to the former surveyor who did not act on those.

Okay, so in talking with the commissioners, this was brought up at the last range board meeting that we would pursue this with the six firms. They are all still interested in this work. They gave us good proposals two years ago and we want to pursue awarding six contracts, I hope, in the next few months. That's my goal so that we can get six firms working on this so that we can catch up a little bit.

We may get our 5% yet this year. I think that's a possibility. Then next year we might get 15% to 20%, and then we'll see where the funds at. We'll see how we're doing. We're assigning them by township right now, and we'll just go township by township and try to update all these records, but it's not going to be an overnight thing. I talked to the **[unintelligible 00:47:32]** county surveyor. They had an aggressive program a few years ago or a number of years ago now, but it took them 10 years and they got through their whole county.

I would like, as the fund allows, to make a push on this and get through our county in the next 10 years. Then we can go back to our state minimum, but I think Allen County should be a model, not the laggard in the state. We should be a model for how this is done and we have the funds to do it. Those are specifically, like I said, dedicated to this work. It's not dedicated to anything else, it's for this work, because of how important these stones are for all property line disputes.

I just wanted to today, as I had this in front of you, just kind of brief you on this thing that many people don't know about or don't understand, but there's a real value to it. The state mandates that we do it and provides funding to do it. I would asking to answer any questions that you guys have. I mean, just the vehicle request is in front of you, but there will be other things progressing on this.

Council Member Lagemann: Mr. Chairman,

Chairman Kerley: Yes.

Council Member Lagemann: First, Mike, I want to say thanks for coming. Second of all, it's been refreshing to have a consistent presence now at plan commission meetings, and I got to say, well, I've been pretty adamant about seeing development occur and growing our community. You've been very consistent about turning stuff around very quickly, but on the other hand, being clear with the development community that we have to do things the right way, and that message is hitting home.

I appreciate the fact that you've been very objective about that and done a really good job with it. Thanks for coming here, and for the update on the cornerstones, we've talked about this issue and I'll continue to be having that conversation with you. Thanks.

Council Member Curry-Campbell: Oh, thank you for coming in today. We're hoping that our problem in the surveyor office will be resolved with your presence. I know that you're the interim right now until we actually get you sworn in. I guess my concern or my question today is staffing. What are we looking at far as 2023? I think at this point you need to ask for what you need.

Mike: I think we're in a bind as most people are in this environment. We have 15 full-time positions. We only have 13 of those filled right now. We're struggling to fill two of our positions right now. One that we've had up for months now. Maybe--

Council Member Lagemann: What positions you might [crosstalk]

Mike: Field inspection position. I think you guys saw the budget numbers earlier. If you look at what the surveyor's office has brought in, in terms of inspection fees for subdivisions, we are almost 150% above the estimate for this year. We are short inspectors and our guys are working 12-hour days with the contractors trying to keep up with the amount of storm pipe being laid and it's necessary that they're out there, so it's at the proper grade. Things are built as I can review it in the office and have a great approved set of plans, but if it's not built correctly, it doesn't work.

Certainly, our field inspection staff is very stressed right now with trying to cover all the work that's going on in Allen County. We have again, two positions open. They're both field positions and they are our lowest paid positions. Again, we're struggling. We were supposed

to have an interview yesterday with a gentleman, the day before, he emailed us and said he had gotten a job offer and was taking that, wouldn't be in for the interview. I'm trying to act as quickly as I can when we do get applicants to get them in here and talk to them but it's a tough environment right now for sure.

Council Member Curry-Campbell: My other question is, we've had over \$2 billion worth of economic development here and we know that we want to stay in sync with what's going on. What is it that you need for-- I'm just saying you need to ask for it all. At this point, all they could do is say, no. I'm not running again, but I just think it's very important that you ask for what you need to be successful. We can't have \$2 billion worth of economic development, and then we're not able to complete some of these tasks. I just feel at this point, just ask for it all.

Mike: Councilman, I'm doing my best to assess the situation.

Council Member Curry-Campbell: Yes, sir.

Mike: I am fiscally prudent like all of you. I'm a taxpayer in this county that I have been for 25 years. I want us to be fiscally prudent if we can, but I would tell you that we are at the same staffing level that we were at 25 years ago. This county is not the same county as it was 25 years ago.

Council Member Curry-Campbell: I'm trying to a point here. You need to ask for what you need to be successful. Thank you.

Mike: I would say, I do have plans and I am moving forward with that, with my budget submission tomorrow. It's a step, but there are more steps to take. I can't do everything at the same time. I'm doing the best I can. I'm trying to move forward on a number of different things. Staffing is one of those.

Council Member Harris: Mr. President, I'll move for the approval of transferring within the Cornerstone funding inspector to reduce that at 9470 over to vehicle for \$9,470,

Council Member Curry-Campbell: Second.

Council Member Lagemann: Motion and multiple seconds. Any further discussion Mr. Armstrong?

Council Member Armstrong: Is this vehicle, is this going to be a fleet vehicle for the department or is this going to be a take-home vehicle?

Mike: No, I would say neither to both of those. It is in a department, but it is bought out of the cornerstone fund. As I mentioned earlier, that we have two employees wholly their wages and benefits are coming out of the Cornerstone fund. One of those is driving a Cornerstone vehicle. One of those is driving a general fund vehicle. This will give a vehicle to the other Cornerstone employee. I have two Cornerstone employees driving two Cornerstone vehicles to do the Cornerstone work, which is logical to me.

That general fund vehicle will come into our pool upstairs, which is desperately needed. We have some of our project managers that can't get a vehicle because we don't have enough and they're driving their personal vehicles out to work sites, which I don't think is a good idea especially as they're assessing ditches on private property. By state law, we are not

trespassers. I don't think it's a good idea for them to be driving their personal vehicles out onto private property.

I think that is not what should be done. This will help give us another pool vehicle upstairs as well. I think councilman Curley had asked me a question about when I gave the vehicle specs about why it needed to be a three-quarter-ton truck. It hauls a lot of weight. It's not for towing anything, it's for the weight involved with the steel rebar and the six-foot U channel post with the Cornerstone installation as well as the Harrison cast iron markers that we put in pavements, those are all very heavy things and you certainly don't want to be making a lot of trips back and forth either. We want those trucks to have the materials they need.

Chairman Kerley: Thank you.

Council Member Harris: Move the question.

Chairman Kerley: Yes. We have a motion to end discussion.

Council Member Harris: Second.

Chairman Kerley: A motion and a second. We'll now vote on the motion to transfer within the Cornerstone fund. All those in favor say aye?

Members: Aye.

Chairman Kerley: All those opposed. Motion passes. 6-0-1 (Spurr). Thank you for coming.

Council Member Curry-Campbell: Good luck to you.

Chairman Kerley: We look forward to keep working with you. ACDEM, which it looks like.

Nick: I'm taking this for them. What this is in regards to in the general fund, ACDEM's only budget is for MS4 which is regarding federal laws and waterways. They were planning to send one of the employees to training schools and seminars and it didn't happen. They'd rather transfer that money and purchase supplies to get ahead. Meaning pamphlets, materials, they hand out for educational purposes on the MS4 requirements.

Council Member Harris: Mr. President, I move for the transfer within the general fund schools and seminars of 1002, the supplies for a \$1000.

Council Member Curry-Campbell: Second.

Chairman Kerley: Motion and a second. Any further discussion? Hearing none, all those in favor, say aye.

Members: Aye.

Chairman Kerley: All those opposed. Motion passes 6-0-1 (Spurr). Recorder.

Nick: Council, the next item you have, we've done this for about a decade now. Similar to what Mr. Fruchey was talking about, the Recorder also obviously gets a portion of the revenues for every recorded document. As we know, within the last couple years, refinances

and new mortgage originations have skyrocketed allowing the current Recorder to continue carrying on paying for their full expenses from their special revenue fund. Under law, we're required to pass this ordinance saying, the current Recorder she's attested, she can pay for everything. They're up to date on four attributes.

This alleviates the general fund of almost \$1 million expense because the whole Recorder's office is paid from this special revenue fund.

Council Member Harris: Mr. President, I move for the approval of consideration of resolution 2022-8-1802, approving the Allen County recorder's request fund to fund the recorder's office 2023 expenses out of the recorder's perpetuation fund.

Council Member Curry-Campbell: Second.

Council Member Armstrong: Second.

Chairman Kerley: Motion and multiple seconds. Any further to discussion?

Nick: Does that ordinance need to be read?

Chairman Kerley: No, you're good with just the title. Thank you. That was a clarification, so I won't consider that discussion. [chuckles]

Council Member Harris: No discussion.

Chairman Kerley: Motion and no hearing no further discussion, all those in favor say aye.

Members: Aye.

Chairman Kerley: All those opposed. Motion passes 6-0-1.

Nick: Thank you.

Chairman Kerley: Do you have the signature form?

Council Member Curry-Campbell: I have it here.

Chairman Kerley: We'll now move on to discussion in other business. I may change the order a little bit. Is Baker Tilly here and are the commissioners ready to proceed? I'm going to let you guys go first since they came from Indianapolis.

Chris Cloud: While Nick is getting set up. Good morning counsel. Chris Cloud, chief of staff board of commissioners. Before I start, I do want to commend Mike, I've worked for elected officials for 16 years. I've worked with elected officials for 16 years. It takes a lot to want to run for office. It's not an easy decision to make and to be an elected official isn't always fun. The fact that he's willing to step up and do that, it takes a lot. I appreciate the fact that he's willing to put himself out there and do that. Just I appreciate all. One of the things I tell people is it takes a lot to put your name on the ballot. You open yourself up to scrutiny and criticism and public input.

It's not a pleasant position sometimes be elected official. While I have this moment, I do want to comment Mike. We very much appreciate his willingness to step out there and step

forward and put his name out there. Last month we were here Emma and Jason was with her from Baker Tilly. For informational purposes, I think there were some follow-up questions. You all had some scenarios you wanted to run by. Emma's going to run through some additional scenarios and try to just-- again, this is all for the purpose of education. Then when she's done, ask her whatever questions you want to. Again, this is informational.

Illustrative numbers is what Emma always uses. It's just understand the process and the various scenarios you all outlined. I will hand over to Emma.

Emma Adlam: Good morning.

Members: Good morning.

Emma: Like Chris mentioned, you reached out with a couple of additional scenarios that you wanted to see in connection with this project. There's going to be a lot of numbers on the page. When it comes to a bond issue, it's hard to condense it too much. I'm going to try to simplify it as much as I can, but please stop and ask me whatever questions you have along the way.

We were asked to run a couple of more size bond issues.

Last month we illustrated a \$300 million bond issue. We were asked to run from 100 million to 225 million and 25 million increments. There's going to be six different scenarios presented in this presentation, looking at both a property tax option and an income tax option. To start with,--

Council Member Lagemann: Emma, just to preface this, how many counties have used the property tax vehicle as opposed to the jail led?

Emma: I think Jason said he knew of one of the counties that I've worked with. It's all been the jail led. Typically for a jail of this size, it would have to go through a referendum. I don't know how many voters wouldn't want to vote for a jail project for a property tax. Typically we see income tax bond issues for jail projects, with a property tax backup in place.

Council Member Curry-Campbell: When you were here last month, you shared with us about different things at the state level and legislation that you can bypass the community with using that arm. Do you want to share that again? Do you want to talk about that again? Because I think people really need to hear what you're saying.

Emma: Are you talking about the referendum and possibly not having to go through a referendum for property taxes?

Council Member Curry-Campbell: Yes.

Emma: This is really a question for your bond council of whether or not you can issue a property tax bond without going through the referendum process, but to the extent that it is in the judge's order and that you're mandated, there is that possibility.

Council Member Curry-Campbell: What's in the judge's order?

Emma: That you're mandated to improve your jail or build a new jail. This is more of a legal question. There is a possibility that you would not have to go through a referendum for a property tax bond, but I would defer to your attorneys.

Council Member Harris: In essence, if we chose to go to the property tax route, it probably needs to go through a referendum or we could check with the bond attorneys to consider not doing that.

Emma: It's possible that you don't have to go through a referendum.

Council Member Lagemann: We recently hired bond council and they will be evaluating that question because that is the first question you have to evaluate is just-- Barnes and Thornburg out of Indy. Who's done bond cast workforce before? They're examining that question now.

Emma: The property tax scenarios are assuming it does not go through a referendum. Just for illustration purposes, we're assuming not a referendum. To start with the property tax scenarios, like I said, this lays out, you can see at the top, there's a principal amount of 100 million. It goes up to 225 million of the issued amount for the bond. There are issuance costs involved with issuing bonds as we talked about last month. The line below, you see the proceeds for construction. This would be the illustrated proceeds for both hard and soft costs for the construction of the jail.

This does not include any cash-on-hand contribution that the council and commissioners might want to put forward towards this project. This is just from the bond issue. Then if you look moving down, you'll see the line of the average payment. This is the illustrative annual debt service payment associated with these various sizes. The annual payment could range from 10 million up to 22.5 million, depending on the size of the bond issue. Like we talked about last month, these are fairly conservative interest rates that we've used. It was current rates, plus 250 basis points, which is a full 2.5% increase.

Then if you look below the average payment, this is the corresponding tax rate with these debt service payments. Now, this is based on your certified 2022 assessed values. '23 assessed values are going to be coming out soon. All likelihood your '23 assessed values will be higher. This tax rate should be lower when we look at it, when your '23 values come out. Any questions on this slide? This slide builds on something that you saw last month, and I know the numbers are small and I've sent it so you can have the PDF file to look at it later.

This looks at the property tax impact of that tax rate that was shown on the previous slide. On the left-hand side, you can see going down the bond par amounts, the same tax rates from the previous slide. Then what that looks like for various home values ranging from 100,000 to 250,000, also some agricultural land and then commercial and rental properties. Like I said, it's assuming it does not go through a referendum. These estimated impacts do account for the property tax replacement credit that Allen County has in place, which reduces the actual taxes paid by taxpayers.

That's offset by some income taxes. This also does not take into account the fact that if it does not go through a referendum, depending on where the property is located, that taxpayer may be hitting the tax cap. If they are already in the taxing district with a higher tax rate already, if that taxpayer is hitting the tax cap, they would not actually see an increase in property taxes if

they already hitting that cap. In the next slide, I'll talk about illustrative circuit breaker losses from that cap.

Council Member Harris: The 100 acres, help me understand how that's determined. Is that a state number or number of what?

Emma: For the agricultural assessed value?

Council Member Harris: Yes.

Emma: There is a state base of agricultural assessed value. I think there are some adjustments for productivity factors, but the state comes out with the base value for agricultural land.

Council Member Harris: That's not something we decide, that's something that would be factored in.

Council Member Lagemann: 1400 an acre or something like that?

Emma: For pay '23, it's 1,500 per acre.

Council Member Lagemann: 1,500 an acre.

Council Member Harris: Thank you.

Emma: This next slide looks at illustrative circuit breaker impacts to local governments. This looks at, if there's a property tax bond, that is not part of the referendum. The debt service levy is within the tax caps. Because of that property taxpayers, there's the 1%, 2%, and 3% tax cap. Depending on where they reside in the county, if they hit that tax cap, they don't pay the full amount that they would have paid without the caps.

That translates to losses in revenue to all of the local governmental units. All of the governmental units within the county, I know you're going through your budget process, you implement what your property tax levy would be. You don't collect all of that because of those tax caps. There's a certain amount that you lose each year. This slide illustrates possible increases from looking at a baseline scenario of what your losses would have been without these debt service payments, what that increase would be when you add these new debt service payments to the county.

Now, there are a lot of factors that go into circuit breaker losses. This is really holding everything constant. Your assessed values are going to be coming out soon. That will change this. If another entity changes their tax structure, that would impact circuit breaker losses too. These are just estimated to give you an idea of what it might look like. Just to give a little more context to look at the county line on top, this is illustrating that for the \$100 million bond issue, if you put that levy in place, you would experience an additional 1.2 million in losses to your property tax levy, compared to what you are estimated to experience without that \$10 million levy.

Council Member Lagemann: Emma, the referendum, notwithstanding this is one of the other reasons local governments typically use a lit for this sort of thing, as opposed to the property tax rate?

Emma: Correct. Because when there are circuit breaker losses allocated to local governments, they're not allocated to your debt service fund. You can't have losses in that debt service fund. You must pay your debt service. It would impact the other county funds and these losses would be distributed amongst those other funds. Then move to income tax scenarios. Once again, there's a lot of numbers on the slide. I'm going to try to start at the top and work my way down.

This starts at the same par amount of the bond issue. You see at the top, there's a 100 million and it goes up to 225 million, the line below it. The correctional lit line, this assumes you do adopt a correctional lit rate by October of this year and so you would start collecting lit revenues in '23. There's a period of time from when you start collecting revenues to when you would need to make your first payment that you could apply those revenues to the construction project. That's what that in the \$100 million scenario, the 25.6. Those are those additional revenues that you would be collecting when you'd be paying interest only.

Council Member Lagemann: Can I ask you a question on this specifically? The idea is essentially to get somewhere between 25 to is it 41 million in the first year of collections, is that what you're talking about right there?

Emma: It's over a three-year period.

Council Member Lagemann: Over a three-year period. That first year as I understood it if it was approaching that \$200 million bond issue number would've been about 18, 19 million, is that correct or not, or is that too high?

Emma: The annual revenue from when I was here last month to when I'm here this month, you're estimated '23 lit revenues came out. These revenues are now based on your '23 revenue. It's higher than what I showed last year. If you look at the 200 million scenario, the annual revenue would be about 24.4 million per year.

Council Member Lagemann: Maybe this is something you can answer, maybe not, but knowing that with the various funds that we have access to and approximately \$150 million in cash in the bank, is there any reason why we would want to try to load up this fund a year in advance of a final construction project? Why would we do that?

Emma: That's really more of a policy decision of how much cash on hand you have, how much you're comfortable using, looking at your own cash flows. If you decided not to implement a correctional lit rate this year, you wanted to wait till next year, it would really be that correctional lit line towards the top would just reduce, and you'd just have less proceeds or you'd need to use additional cash on hand.

Council Member Lagemann: Less proceeds and less taxes paid.

Emma: Correct. I just lost my last thought. [chuckles]

Council Member Lagemann: The idea would be we're missing out as it were on about \$24 million, which we could write a cheque for.

Emma: You would just want to make sure that the lit is adopted before the bonds are issued. If you decide to move forward with a lit bond, I think the current estimate is fall of next year. You would want to adapt the lit before the bonds are issued.

Council Member Lagemann: To create that base for payment for the bond issued?

Emma: Exactly.

Council Member Lagemann: I understand that. Pretty good.

Council Member Harris: That is calendar year that we're talking about in essence for everything?

Council Member Lagemann: It's next October.

Council Member Harris: No, in other words, that tax would be in '23 if we passed it.

Emma: This year, you'd start collecting and you'd start receiving revenue in January of '23.

Council Member Curry-Campbell: Mr. President, [unintelligible 01:13:57]

Council Member Lagemann: Yes.

Council Member Curry-Campbell: I think a lot of this is really being rushed through and I know that you folks were hired to do a job. We were elected to do a job here. I'm just really concerned about the rush because you said October again, you said that last month. I'm just really concerned that the community doesn't have any input. Like I say, you were hired to do a job. You're here to report out and share information with us but I keep hearing that October as if we're going to make a decision in October for something that's going to happen 2023. Can we get understanding that October is not-- this is her wish, but throwing October as if we have to make a decision I guess I don't like that part.

Emma: To clarify, it's not my wish. I'm just illustrating that if you were to adopt it before-- end of October is the cutoff if you want to start collecting revenues next year.

Council Member Lagemann: It would have been better to say it could be the judge's wish but that's a local issue that we can deal with.

Emma: Yes, that's a local decision. If you decide to wait until next year, then you just don't collect one year's worth of revenues and so you could use that quarter--

Council Member Harris: Which means the taxpayers don't have to pay an extra \$24 million?

Council Member Lagemann: That we have in the bank. Councilwoman, I think that is an excellent point. I appreciate you making it. I agree that rushing into this is the wrong answer, knowing that we do have the money that we could replace any revenues with, that we would be missing out on for the year. Thank you. You're right. We should rush.

Emma: I appreciate the questions. There's a lot of information on these pages. If you decide to not adopt the rate this year, then that correctional lit number towards the top would just decrease by the annual revenue number shown on this slide. This is just for illustration purposes. If you wanted to move forward with the \$100 million bond issue with that \$10 million annual payment, I was asked to show what rate would be needed if after you make your payment, you would still have the maximum allowable 20% for operating costs.

By statute, whatever you collect, a maximum of 20% of what you collect can be used for operating costs. That is how this correctional lit rate needed is factored in. If you don't want to use that full 20%, that amount could be lower, but this just shows that, includes that maximum. There is some rounding because you can only adopt in increments of 0.01.

Council Member Lagemann: Emma, I think it is important to note too, can you talk about sunset clauses? It's my understanding by state law that when we do a jail lit, this body because it's so far into the future and because it's bond issue, and this is collateral for the bond issue, essentially that we do not have the capacity to provide a sunset or a termination date for that jail lit once the bond is paid off, is that correct?

Emma: There is a maximum length set in statute that this rate cannot extend more than 22 years. While the bond issue is in place, you cannot eliminate the rate. You could reduce it. If you adopt a higher rate, you issue a bond issue that really requires a lower rate, you could reduce your rate. If you accumulate cash and you want to pay your bond off early, then you could terminate that rate. If your bonds are paid off early, you don't go for the full 20 years, then, of course, you can--

Council Member Lagemann: It has to remain intact for the '22 years. Is that correct?

Emma: It has to remain intact during the length of the bond issue.

Council Member Lagemann: When we vote for it, we vote to leave it intact, or we vote with the intent that it's probably going to be 22 years only at the time when the bond is paid off, can we terminate the rate. We can't sunset it prematurely. We can't now say "Hey, we intend to pay this thing off early and we'll pay it off in 15 years. We set it for 15 years." We cannot do that. Is that correct?

Emma: The bonds cannot be longer than 20 years if you have that property tax backup. It could be shorter but you cannot say it'll terminate in 15 years if your bonds are 20 years.

Council Member Lagemann: Knowing we have the capacity to pay it off early or sooner?

Emma: Yes.

Council Member Lagemann: That's where I was headed. Thank you.

Emma: Sure. Really the main takeaway is that it really depends on the bond issue and the proceeds that you want to generate for construction from the lip bonds. If you lean more towards the 100 million, that correctional lit rate would be 0.11%. On the far right-hand side, you'll see, I stop at 0.2% for both the 200 million and 225 million because that is the maximum rate allowable. It does not give you the full 20% remaining for operating expenses. It's less than that, but you could support those payments. You just wouldn't have the full 20% of revenue for your operating expenses, but you could support the debt payments of bond issues of that size with your jail lit.

Council Member Lagemann: When other communities use the jail lit and include the operating expenses, what percentage of operating are they usually including because this is an increase? If it's an increase in size of the facility, the presumption is that would be the same percentage increase in the cost of operations. Is that correct?

Emma: I've really seen it really is community specific. Allen County is very fortunate that depending on the size of your jail and their cost you could fund at least the majority from your 0.2 correctional lit. Many communities need the full 0.2 correctional lit for debt service and then possibly they use public safety income tax or another income tax.

Council Member Lagemann: We don't want to be dependent for operations on a lit that's going to end at some point in time.

Emma: That is something you would need to consider that in a maximum of 22 years, this lit rate would sunset.

Council Member Curry-Campbell: I guess my concern with these numbers, I feel as if they're bogus because we don't know the size of the jail. We don't know the location of the jail. We don't know the staffing of the jail. We have a building right now that we can't staff. We're talking about numbers that I guess you're giving us three different scenarios as far as the cost of the jail and time to pay for this. We don't even know what the jail is going to look like. I heard they said 300. You understand what I'm saying? How are we coming up with these bogus numbers to fund a jail that we don't know where the jail is going to be or how we're going to staff the jail or how we're going to maintain the jail after you access to pay for a jail?

I'm just--

Emma: That's all part of the broader conversation.

Council Member Curry-Campbell: I know, but there's been no community input. You're coming here with this and you want us to make a decision next month based on bogus numbers that were given to you by someone. I don't know.

Council Member Harris: The fact that we have to have analysis discussion and there's been no decisions. There's not a decision being requested today. It is important for all of us to understand the scope as was pointed out, how much do we pay in cash? How much do we have to raise? Whatever. At this point, it's an analysis and discussion that we all need to get educated on. I appreciate your information.

Council Member Curry-Campbell: I appreciate your information too. I'm sure the community would love to sit down and ask you questions too but they're not able to do that because we don't have public comments when it comes to this. You get what I'm saying? How do we make this an equal playing field where the community have some say? You're telling us how to-- I'm sorry Chris. Go ahead.

Chris: Ma'am, there is a required public hearing before you would adopt any income tax increase. The state does require public hearing before that.

Council Member Curry-Campbell: I'm going to stop right now. I would love to sit down and talk with you because I got concerns that I don't want to waste the time here today. I know what you're showing us is based on theory, if, would have, could have, should have. I'm just getting a little irritated the more that I hear. We'll just have to talk offline. I don't want to waste any more time here, Chris. Thank you.

Chris: I just would clarify Emma's role in this is purely just if we issue a bond, Baker Tilly provides the financial analysis to the financial body of what those debt incurs. Baker Tilly has

no involvement in the decision-making process what we do. They are advisory. Just to clarify they are purely advisory in nature.

Council Member Curry-Campbell: Exactly. I don't want you to take it personal but I'm starting to take it personal. Thank you.

Emma: I'm more than happy to talk to you offline too.

Council Member Lagemann: I guess one of the other questions that we would ask you to the councilwoman's point is are you seeing an average cost per bed on the jails that you've been involved in? I asked the question because she brought it up. I think it's certainly relevant to these numbers. When we take a look, and I visited Wabash County last week or a couple of weeks ago, 90,000 a bed. The averages that we're seeing over about a dozen different jails that we've taken a look at between 90 and 130. I think one pushed 140. Indianapolis was 260.

To the councilwoman's point, at the rate we're talking about right now, I just ran the numbers on the most recent supermax facility done in Illinois. If you adjust that cost which was 150,000 at the time in 1998 for inflation, add \$10,000 a bed, you get to about \$280,000 a bed. Right now based on a \$340 million facility with 1100 beds which we've heard commissioner Peters talk about in the newspaper on multiple occasions, that puts us at \$306,000 a bed. That's more than \$20,000, more per bed than a supermax.

Chris: With all due respect councilman, we have no drawings and there's no cost estimate. Therefore we cannot figure an actual per bed cost. Any number that's ever been thrown out there is absolutely taking a dart and throwing out a dart board. Until you have a schematic drawing and a cost estimate, you can't figure out a per-bed basis. What we're being told is--

Council Member Lagemann: I think we can throw a number out. The problem is the scenario is 340 million. When we take a look at averages and let's just say just to be on the safe side, we say 150,000 a bed. That's less than \$200 million. It's a pretty big jump to go from there to 340 million and that's been the number that's been thrown around.

Chris: Not by us. We have not thrown around a number that big.

Council Member Lagemann: Then maybe I'm just reading paperwork.

Chris: I'm not saying that someone has-- whether you--

Council Member Lagemann: I thought that was the number that was given to us by Elevatus.

Council Member Armstrong: By Elevatus, correct.

Chris: In the 1263 study, they have no basis for the number outside of an estimate of when you do this jail at a-- because again, those studies are prospective in nature. At the time they did the study, rampant inflation, they were seeing \$160,000, \$175,000, \$180,000 a bed numbers. To be safe, they said, "Let's figure a number of 200,000 in bed, 1500 beds." You just have to get a number. Those studies are just to give you an idea really about the need for it with census and what it might cost. You do the worst-case scenario but we have not actually said this is going to cost-- this is the number we're going for. The jail's going to cost whatever the jail's going to cost.

However big you build it and whatever an estimate is, that's the number. Then from there, you say, "If we can't afford it, we go down." The numbers that Emma is providing us in Baker Tilly is telling us this is the budget. You all as the fiscal body, just a hypothetical scenario. Let's say it was a \$300 million jail. We can't raise \$300 million.

Council Member Lagemann: No, we can't.

Chris: You all would either say, "We'll come up with the difference." Or "That's the budget." All this becomes a local decision once we actually have the right size, the right number.

Council Member Lagemann: That number is pretty critical at this point, Chris.

Chris: Absolutely.

Council Member Lagemann: We don't have a basis to work off of. When we're talking about adopting a lit as soon as October and we have absolutely no idea what the cost of this thing is and it's ranging from 150 million to 350 million, it is such a broad swath that it would be irresponsible in my opinion to adopt any rate this year. Am I missing something?

Council Member Curry-Campbell: No.

Chris: It all depends on your willingness as a body to put in cash on hand because what you have is three years of amortized interest where you don't make payments. You're supposed to store that money up and then start making payments because you can't pay for something that's not built yet. That's the theory. If you're all willing to put cash on hand in, then yes, that makes that scenario of when you adopt and implement. Absolutely, that's a different scenario but Baker Tilly being our financial advisor can't make the assumption that they know what you're going to do. If you all say, "Okay, Emma, plug it in, we're going to pay a year."

That's a different set of charts and lists but that's a question. It's a local decision for you all to make but it's a very different decision. I fully understand. Part of it is a challenge of the state's deadlines for income taxes are into October and then anything-- part of it's that but your decision-making on a property tax debt is a whole different-- You can do that any time you want.

Council Member Lagemann: Ultimately I think the legitimate concern for this adopting it early would be the date of the bond issue because we can't do the bond issue without having adopted the lit.

Chris: Got to have [unintelligible 01:29:27]

Council Member Lagemann: Is there any possible way that you see us moving so fast that we could have a clear vision of this thing where we could adopt any rate because we're going to do a bond issue sooner than October of '23? Is that even a realistic timeframe?

Chris: October '23?

Council Member Curry-Campbell: What I'm saying is before October of '23. Really we'd have to have some reasonable picture before October of '22 [crosstalk]

Chris: I think certainly knowing that you can, at any time you want, like any other income tax, adjust the rate within reason. You get to public hearings and that sort of thing but within

reason. Whatever you would adopt, if you would-- councilwoman's concerns aside about the pace, if you would adopt by the state's deadline in October and it starts January one. If before the bond issuance, we find out that the number is X, you all want to use X amount of cash on hand and something changes and inflationary cost for construction go down below, the number is this. You could lower the rate you could raise it.

You have full control over what that rate is and whether you raise or lower it as long as every year, it generates enough money to cover the debt service, plus the coverage that might be required, you all as the fiscal body just like city council who unfortunately controls all other income taxes in this county, at any given year can decide we want to raise this one or lower this one as long as they don't hit that cap of income tax. You all could adopt a rate and change it next year. You all could adopt a lower rate and then increase it next year.

You all could wait a year, as long as you commit to cash on hand to cover it because we just need to know we can't issue debt if we don't have a way to pay for it, that's just silly. I think part of it does know how much and what involvement you all want to have with cash on hand into the mix. That will play into when and how much and rates and things like that.

Council Member Lagemann: The big question ultimately is how fast do you intend to do a bond issue? Because that's when we have to adopt a rate. Do you have a sense of that?

Chris: I think our plan to the judge. I'm looking back at my attorney who has the plan to the judge, I think said construction starting spring of '24. Hypothetically, schematic design through the end of the year, design development, April '23, construction documents, September '23, bidding, November '23, construction starting April '24. I would assume before we would bid, we would need to have-

Council Member Curry-Campbell: A location.

Chris: -in place everything. By October next year, you'd want to have that rate in place.

Council Member Lagemann: That makes sense.

Chris: The challenge we run into is if we head down the path of plans and spending money and all that stuff, and then council next September decides no, every time you do this, you-- [crosstalk]

Council Member Lagemann: If you council does that, then we're going to be in violation of court order, most likely at that point. I understand, I guess I share the councilwoman's concern that I don't want to set a rate even if we can adjust it. I don't want to set any rate that we can pay for in cash in the short term.

Chris: Sure. No, absolutely. That is if we did not have the state's rate deadlines, but it's local, all of this, even[unintelligible 01:33:03] it's all a local decision. It's all a local decision. The state never says, "You must use this, this, and this." That's why we have elected county council at the end.

Council Member Curry-Campbell: The judge didn't say you must build a jail. I don't even know how we got here.

Chris: Our attorneys would disagree with that assessment.

Council Member Curry-Campbell: I know. All the attorneys disagree with the overcrowding, the situation, but I'm cringing right now just thinking about how we're trying to fast forward this and I'm going to let you go ahead and complete your presentation.

Emma: That actually was my last slide.

Council Member Lagemann: Convenient. I guess my question is what's taxpayer impact look like on the income tax? Because that's the hopefully less than \$340 million question.

Emma: I did have that information. I don't know if you wanted to go there. This is the range. I showed last time the 0.2% impact. This is the 0.1%. I didn't do every single one of the increments, but this gives you an idea of what that impact could look like.

Council Member Lagemann: \$57,104, which this is the average median income. Is that correct?

Emma: That's the median household income.

Council Member Lagemann: Median. Thank you. It's \$53 or \$107 a year?

Emma: Correct. Then that really was my last slide.

Council Member Curry-Campbell: If you were talking about building a mental health facility to help with the overcrowding, it'd probably be having a different response for me. We're talking about building a jail. We're talking about school to prison pipeline. We're talking about a location that hasn't been identified. We're talking about jobs that we can't even fill at our own jail that we currently have. Like I say how are we going to sustain this? Just a lot of questions. Like I said, I'm not running for reelection, so I have nothing to lose here. I'm speaking my mind. Thank you.

Council Member Lagemann: I do thank you for your time and your patience with a lot of questions.

Emma: No, these are all great questions. Thank you very much.

Council Member Curry-Campbell: Thank you. Thank you, Chris. Love you.

Chris: Did you all get a copy already? We got that last night, so will you do it? Nick's going to do it right now. Send that to you so you'll have last month's and this month's. If you have any other scenarios questions, feel free to send them my way to send to Emma or Nick's way. We can--

Council Member Lagemann: I do want to say I know we're going to address this later. I know you guys are pulling together a team on working through some of these questions and I really want to commend the commissioners on that. I think that's exactly the right process to embark upon and look forward to council's input through our representatives. I thank you for that process.

Council Member Harris: I also concur with that. I'd also like to say though, that this is a process that we're going to have to get further educated. I'm not as educated as others or opinionated maybe as others, but we can't shut down discussion and we should not be

shutting down experts giving us advice, thoughts, input, analysis. We have to listen and take that in to be able to make great decisions.

Council Member Curry-Campbell: I try to give her opportunity. Like I say, I'm very emotional about this. It affects people that I see on a daily basis. It affects our school system. It affects our economic development. I guess I'm just a little just fired up about it. I was trying to listen to her. Mr. Harris, I really was.

Council Member Harris: I want to be able to have all of us have that discussion analysis and education for the better of the community.

Chairman Kerley: To answer a question you had Ms. Curry Campbell, you asked where the numbers came from. To reflect on what councilman Lagemann said, none of us know what the jail's going to cost, where it's going to go, what it's going to look like. When Baker Tilly reached out to me, I gave them a range of here's a low end based on what some of the least expensive options are and what's really our maximum. That was just a range so once we finally get a plan, we know where on that chart we may need to look at. Does that make sense?

Council Member Curry-Campbell: It makes sense. Like I say, I know that this is a trial and error and we're walking through this with a lot of passion. Not in my backyard is a real thing. We have a jail downtown next to the courts. I'm not even really sure how we got to this discussion, but we have a jail. It doesn't need to be moved anywhere. Thank you.

Council Member Lagemann: Just to Councilman Harris's point, I will say that several of us have been-- I've toured a couple of jail facilities that are under construction right now. I've been in touch with half a dozen architects on the last 20 jails that have been built because I do think these numbers are really relevant. I think it's important that we have a great understanding of the per unit costs. My intent is to be over in Whitley County sometime in the next two weeks to sit down with their commissioners who have embarked upon the process and are a bit further along than we are. They're using Elevatus by the way.

This is really important to me and I think these financial questions are critical as we move forward. I hope that I didn't talk too much.

Chairman Kerley: No, it's good. We have to.

Chris: Should you all have questions about the bonding or bond process, please feel free to send those to Bill Fishering county attorney. He has done that more than once in his illustrious career here at the county.

Council Member Curry-Campbell: Is he here now?

Chris: Yes, he's here. If you ever have bond questions or how the bond process works. We do have local experience with that to a large degree, so we can answer those questions as well. I will tell you that carrying the water for the commissioners, the commissioners feel a sense of urgency on this project.

Council Member Curry-Campbell: Are they here today?

Chris: I'm carrying the water for them today.

Council Member Curry-Campbell: Commissioner you're carrying the water. Do we want to hear from our attorney?

Chris: [unintelligible 01:40:29]

Council Member Curry-Campbell: Have nothing to say. That's good.

Chris: I think his words were, if you have questions.

Council Member Curry-Campbell: All right.

Chris: Again, as I said, carrying the water for them, they do have a sense of urgency. They would appreciate a public hearing on the jail lit be held by council. That was their request to you today that I'm sending along. Just because that October deadline from the state so they would appreciate a public hearing on the jail lit obviously decision is completely yours.

Council Member Harris: Paul, I appreciate your comments on the Sunset because I've had a desire to pay off Maplecrest and we can't take care of Maplecrest because of what we're tied to in that bond and yet we probably have the ability to pay that off and be done with it, but we can't and without some other things that have to happen so that the end game is just as important as the initial kickoff, if you will.

Chris: Any additional questions, send them my way, please.

Chairman Kerley: Since you're already up, do you want to talk about the update on the fire?

Chris: We continue to work with the Fire Chief Association on their request, you all appropriated money last month or some of the public safety lit. We continue to work with them on that working with them through right now on the way that, I think, I guess is their preference for how this would work is that the county would actually pay all the bills for this as opposed to giving 20, 18 units checks and them doing their thing. If we do that, we then have to follow appropriate state and local purchasing laws.

Working through that to make sure that we've got our i's dotted and t's crossed on bids and things like that, some of this stuff is there are the state makes, I don't know, 14 or 16 special purchasing provisions and I'm sure public safety equipment is going to fall into a lot of those categories about single source. There's only one vendor who makes it bigger thing for us is probably compatibility with the existing system. Just working through them, making sure that we have the proper justification for the quotes, if they have gotten the right quotes to make sure it's the right format and just that sort of stuff so continue work with them. I know that the commissioners have been Commissioner Peters and Chief Borne have talked frequently. We're still in contact. Good.

Council Member Fries: Wasn't that done with Mike Reichert already to make sure that everything was compatible and this was the system we needed; and that's how they came up with the number?

Chris: Mike doesn't work for us, but that has nothing to do with purchasing code. That's just, Mike's compatible--[inaudible 01:43:06].

Council Member Fries: You said that we need to make sure that it's all compatible. Wasn't that already all done?

Chris: No, that's just one of the reasons why you can make a special purchasing exemption to having to get quotes is because it's compatible. I just need them to say, this is the system, it's the same as the one the city uses.

Council Member Fries: How much longer is this going to take?

Chris: Oh yes. I don't know. It's a couple of sentences for every four different quotes. It's a couple of sentences in the code citation for justification.

Council Member Fries: A week?

Chris: I've somehow become the ringleader in this project. I'm actually not involved in this project at all.

Council Member Fries: Who is so we can talk to them because there are firemen out there that need this paging system. There are citizens out there that need to make sure they have this paging system and we're allowing government to get in the way again. How much longer is it going to take to get that for the firemen is my question?

Chris: I cannot provide you that answer.

Council Member Fries: Who can, Chris?

Chris: I've not been the one communicating with the Fire Chiefs Association, we are working towards the process of issuing POs.

Council Member Fries: I understand their frustration because I'm feeling it

Council Member Harris: Is the head of the Fire Chiefs Association, has he commented to you that it's not moving or what?

Council Member Fries: Yes. I've heard, it's that they're.

Council Member Harris: Is he giving [crosstalk]

Council Member Fries: I'm not the one to talk to him. I can tell you they're frustrated with the fact that it seems like it's not moving as they thought it would.

Council Member Harris: What the county, you're hearing. In other words, he's saying the county's holding it up.

Council Member Fries: Somebody's holding it up. We don't know who. Why don't they have the equipment? That's the question. We want the equipment purchased. We authorized the money to have it purchased. Why don't they have the equipment? Simple question.

Council Member Lagemann: Mr. Chairman, I do believe we have one representative. Do you have an update from the fire chief's team?

Chairman Kerley: Yes.

Council Member Lagemann: Please.

Scott Schroeder: I'm Scott Schroeder. I'm the chief Poe fire department. What we've done is we've basically whenever they've asked us for questions, we've given them. I've got, I don't know if you guys have it, Chris and them came out with a list of some information they needed from us as to why we went with Unication and why we're doing the MOSCAD, the way we're doing it. We sent them paperwork and if you would like, I can give you a copy of that you guys can see what we've been in correspondence with the commissioners on making sure that everything, all as he said, the t's are crossed and the i's are dotted.

Council Member Fries: Have you been given a timeline?

Scott: No.

Council Member Curry-Campbell: When was this request made the paper you have?

Scott: Tuesday, August 16th. That might have been when it was sent to me. Chris Cloud, everything here is showing August 16th at this point in time. Like I said, I can give this to you folks and you can make copies of it and see what we've been corresponding with them in terms of any information they need. We've been forth with giving it to them.

Council Member Lagemann: Super. Scott. If you don't mind sharing that with Nick, I think he can distribute it to the rest of us.

Scott: I can give it to him as I walk away here.

Council Member Lagemann: We certainly appreciate working toward this what I consider a public safety emergency and hope everybody's soon holding hands, singing kumbaya, and we get you all going so thank you.

Scott: I agree. Thank you very much.

Chairman Kerley: Any other questions on that that can be answered?

Council Member Fries: No, obviously they can't be.

Chairman Kerley: Okay. HR and IT, sorry, I didn't want to forget you, Ed.

Council Member Fries: Is it IT and then HR or is it HR then IT? I don't know.

Ed Steenman: This time it's HR.

Nancy Steigmeyer: Good morning. Nancy Steigmeyer, human resource department.

Ed: Ed Steenman, county IT director.

Nancy: We are coming before you, because we are proposing a comprehensive HR information system. The business case was shared with all of you electronically, many of you in meetings and over the phone as well. We currently have three separate HR systems that we are utilizing, two of which are coming to end-of-life, which has led to a research review process of this. The HR and IT committee has reviewed and narrowed to potential providers. We have two that we're looking at with finalist presentations next week.

Basically, we're looking at a system that will be more comprehensive. It will allow us to build efficiencies within HR processes provide additional data analytics to commissioners and councilmen and enhance the employee experience. Basically, this is a necessary business expense because we have end-of-life with our current products. They haven't been updated in a number of years. Ed will be proposing it in September as a appeal to his budget for 2023.

Ed: That's right. As part of my budget that I'm going to submit by tomorrow, there will be 140,000 I believe is the number I put in there to cover the worst-case scenario. As Nancy said, there are still two vendors in play. We won't know which vendor it is by tomorrow so I'm just putting in the worst-case scenario and then by the September meeting budget appeal meeting, we probably will know what the right number is. You can adjust as you see fit.

Nancy: Both of the finalists we've negotiated heavily on their rates. They started very high and we've negotiated down significantly to a number that we feel is more fair for the comprehensive product and what the product can do for the county.

Council Member Harris: Yes, I think as we spoke, the challenge at least for Bob and I, I think voted for the last software package and as an HR guy, I sat and challenged and said, "Hey, what are we going to get out of this?" We bought the package and we had this service, we had all that, and we didn't get, at least from my standpoint, did not get our value out of that. The challenge that we've spoken about is that, should we go ahead with something like this? How do we guarantee that we systematize data retrieval or data analysis so we get value out of a nice package? Your thoughts, how do we make that happen?

Nancy: By purchasing a comprehensive package that has end to end employee life cycle involved in it. Right now our systems are fragmented and they don't speak to each other. If we have the end-to-end from the initial application state, all the way to the employee life cycle of their entire time with us. We can pull those data analytics so we can look at things from turnover data for different departments.

Council Member Harris: Nancy when we spoke that could be something that council receives on a quarterly basis?

Nancy: Correct. We can program that [crosstalk]

Council Member Harris: We would set up a set of, KPIs or key performance indicators or metrics that we could look at on a quarterly basis, or semi-annually say, "Here's where our stats are in terms of some of the HR issues."

Nancy: That is correct. You can actually have that data at your fingertips quarterly.

Council Member Harris: Including workers comp cost and a number of different things that could be possibly in that software.

Nancy: Yes. The integration [crosstalk]

Council Member Harris: That's what I would strongly recommend because we said so much and I think I pushed for the HRIS system last time. I feel like we may have bought a nice vehicle, but it's been in the garage half the time. Whatever analogy we want to use.

Council Member Curry-Campbell: I like that one.

Nancy: I'm a proponent of data analytics because I think it really does show the predictive index for the employees and how their experience is with their department, their supervisor, looking at problem area and heading those offices as proactively as possible so that is key for us.

Council Member Harris: That'll be so much part of your budget then, or that's coming before us in the budget process, that's what I'm hearing?

Nancy: It's under Ed's budget currently and will stay in that area.

Ed: Yes. For systems that are used by multiple departments, those are typically in my budget. That's why I'm here because I'll be the one asking for that money next month.

Council Member Lagemann: First of all, I just want to say thank you for the communication that you've provided. Had an opportunity to come in and I know many other members of council did as well talk through the details of this one-on-one. I appreciate that and also the level of communication and engagement with HR has just been fantastic. You guys have done a really good job. Certainly, I'm inclined to see that trend and that level of excellence continued in the tools that you need in your toolbox to keep moving forward.

Nancy: Thank you.

Chairman Kerley: Any other questions? I just want to appreciate the time you've actually taken to reach out to all of us. Not a lot of department heads do that when they have a request so I appreciate that. Hopefully, this is starting a new trend. The department heads to reach out to all of us I know Ed does a good job too. Just walk us through the process. I appreciate that you didn't take the first price as the final answer and he brought some of that private market experience to the position and beat them up a little bit. I think we're going to see considerable savings over what they initially quoted us if we decide to move forward with this.

Ultimately it sounds like it's something we had to do with two of the products being end-of-life anyways. As we know, our IT contracts whether they're service contracts or licenses or cloud licenses seem to be going up every year. It's probably something that was due so I appreciate all the work both of you have put into it. I appreciate Ed that you said, "Hey, my budget's going to have a worst-case scenario and we can fine-tune it during the appeal process in September."

Nancy: Thank you.

Chairman Kerley: Any other stuff?

Nancy: If you have other questions, feel free to reach out to myself or Ed. I did send that business case to all of you this week as well with some return on investment detail as well. Hopefully, you have that.

Council Member Harris: Thank you.

Ed: Thank you.

Chairman Kerley: Before we get to Nick with the review of the DLGF maximum levy, discussion item I have is we talked about it earlier in the jail discussion. The commissioners have a desire to establish a committee or commission for the jail. They've reached out to a

number of parties to be involved and to gauge their interest. One of those parties was council and they just asked in general if I would be interested. My thoughts are, as I've always said, I think anytime that council's requested to be at a meeting we should have at least two members present.

My thoughts are that this body considers appointing a permanent member that can stay on the commission through the entire process and the other position would go to the president or the president's designee so that position would rotate. I have no idea when this commission will start meeting. I don't know if enough other interested parties actually have responded back, that they want to do it. I believe that it's something that needs to be done, It needed to have been done. A number of the counties that I've spoken to have done exactly this.

They've put together a committee or a commission from the beginning to work through these. It's important that there are a number of departments that need to be involved. Whether it's the courts, the sheriff, council, commissioners, the community. They all need to have a voice on this commission as we move forward for whatever the final result may be.

Council Member Lagemann: Mr. Chairman.

Chairman Kerley: Yes, I was going to [crosstalk]

Council Member Lagemann: To that end, I would move that we appoint not only the president but one permanent member and that that member would be, Councilman Fries who is the only member of this body who has actually had to run a jail for any period of time. Those be our appointments to this body.

Council Member Curry-Campbell: Mr. President.

Chairman Kerley: Yes.

Council Member Curry-Campbell: I love Ken. I love me too. I love me some Sheila, I really do. I think it's important for me to be on that committee. I don't know how you going to get me on there, but I think it's important that Sheila sits on that committee. I don't know how we going to do this, Ken. I don't know how we going to do it.

Council Member Lagemann: There's a motion on the table.

Council Member Harris: I'll second.

Council Member Lagemann: Thank you.

Chairman Kerley: I'm going to have some discussion obviously asking for a permanent member from this body to serve on that committee. You're leaving this body in five months so that would pose a roadblock to that. I do believe that there should be community members on this commission. That is a discussion, unfortunately, the commissioners would establish this commission so it'll be their prerogative to decide who the community members are. If they would allow us to appoint a community member, then I would be more than happy to bring that back to this board at a later day.

Council Member Curry-Campbell: Make it happen now however you can.

Council Member Harris: The other thing is we're, Sheila, we're council members, so we have access to the commissioners 24/7. Having your voice heard doesn't mean that it could not be heard because you're not on a commission. You could obviously let the commissioners know and for that matter, the two representatives on the commission from this body. Anyway, voices can be heard.

My only challenge would be and for any member, going on this commission having an open mind. You're not locked into a campus concept that it has to be campus or nothing. I guess I want to understand, are you feeling that it has to be a campus concept or nothing? Or are you open for something less than a campus?

Council Member Fries: Yes.

Council Member Harris: With a type of [crosstalk]

Council Member Fries: You asked me two questions and you want one answer. I worked for a company that builds jails and I met with many different counties and every single county had a commission or a group of a committee. Made from people that worked at the jail, the sheriff, the judges. Everybody involved in it had input on the project. That's what I'm willing to do, is have input on the project and make sure that we get what this county and the citizens and the inmates and the confinement officers need. This is going to last us another 50 or 60 years minimum.

Council Member Harris: I think [crosstalk]

Council Member Fries: It looks like, I don't know.

Council Member Harris: My challenge is that we just went through an exercise for a year and a half and had the judges basically say, "Hey, we're not in favor because we have to move, We have to do something different." If we're going to spend a year, whatever timeframe talking about this judges will be on this commission, but I surely don't want a healthy discussion to go and if you were to push a campus concept only to have the judges go, "We're not moving,;--

Council Member Fries: Earlier today, Tom, you said that we should listen to experts opinions.

Council Member Harris: Absolutely. Listen, I'm not--

Council Member Fries: I spent 34 years in law enforcement. I worked at the jails [unintelligible 02:00:42] officer at age of 21. I call for a vote.

Council Member Harris: Hey, Ken, that's why I seconded your motion, that motion to put you on it. Thank you.

Council Member Fries: Call for a vote.

Chairman Kerley: Motion to end discussion. We have a motion to appoint Councilman Fries and the president to the commission, if it is ever established all those in favor, say aye.

Councilmembers: Aye

Chairman Kerley: All those opposed. Motion passes 6-0-1 (Spurr).

Council Member Lagemann: Mr. Chairman, I think it's a great idea actually, to suggest that a community member be appointed and that we recommend Councilman Curry-Campbell and that the commissioners take that under consideration.

Council Member Curry-Campbell: I appreciate you stating that. It's hard for me to get on any of these boards, so maybe they're listening now.

Chairman Kerley: Okay. On the required. Piece of business for the state.

Nick: Council, morning again. Under any other law you're required to review the estimated maximum levy and circuit breaker credits. There's a long document, the first five pages are just summary just to give you if we look at one and please stop me if you have any questions, but we know the growth quotient is around 5%, it's 5%. Your funds that are subject to levy limits, you should see around a 5% increase.

You could definitely see more than that. For example, there are some taxing units that have not adopted their max levy through the years. If we go down Eel River, it has no levy here. They didn't adopt a levy for this current year. That means next year, they can go up to their full \$20,332. Obviously, that's more than 5%. That's just an example of where you'll see change.

Debt funds, as you see here with Aboite, those are subject to difference or subject to the debt requirements in the debt schedule. The cumulative funds that you see here are called rate-controlled funds and so those can also jump by a different amount. On the circuit breaker side, this half of the page, those are DLGF estimates. I will note to you. Circuit breaker has actually gone down as it's an inverse relationship as assessed values go up at a higher rate than the tax levy. If we're going up at the assessed value at 7% or more next year, definitely more than likely to pay 23, and we can only increase our levy 5% circuit breaker has a good chance of dropping.

It may not drop for every single unit, but it has dropped across the board. An example in 2017 we were around 43 million total circuit breakers for the county. That's all the units, not just Allen County as a unit. We're around 39 million now. We've dropped almost 10% in that five-year period, just because the assessed values have grown at a larger rate than the property tax levies. Take the estimates as you may, you're going to see there are some very large jumps here. My estimate's different for Allen County than what the DLGF suggests here, but we're required to do this. Historically,

council has taken the approach and this is non-binding no unit has to do anything you're telling them, but historically council has said to work within the growth quotient and then use the cash reserves on hand if you can and left it at that. What happens after this? I send the minutes or I tell the units, "Hey, the minutes are out here. Look at the last page and you'll see what council said and we're done with it.

Council Member Lagemann: This is a weird technical question, but on the fire debt lines and I know that there are townships who've taken out like a commercial loan and then used I believe it's fire debt or a Cum fund to pay those back on occasion. Is that what we're talking about with fire debt to

Nick: It definitely could, what you're seeing here is what it means is there's a property tax levy to pay some sort of debt related to fire.

Council Member Lagemann: Got you.

Nick: This implies that they're going to levy property taxes to pay, whether it be a commercial loan or some sort of obligation,

Council Member Lagemann: Right.

Council Member Harris: What's the ramifications if we were to say 5% not to exceed what maybe is the worst case scenario that any of these bodies say, "Hey, council said five, therefore X." What's the negative consequences of--?

Nick: I have no clue if the units even look at what you said. Honestly, I'm just saying they're subject to their own boards, it's non-binding it has no teeth. They're given the growth quotient. Somebody I showed you Eel River a little bit ago, our Lafayette Township would be another one that historically has not, you can see them here, has not accepted their max levy so they can go up. Lafayette jumping to their max levy of more than that, \$30,000 on \$300 million worth of levy, it's nothing.

Fort Wayne, about a decade ago, they didn't take their max levy for a few years. Then they all of a sudden jumped up. That means in one year period, they can go up 10% or more. That's going to have a big impact. If they don't take it now they can come back and get it later. You either suffer the consequences, if that's the way you want to term it now with circuit breaker losses, or you have them into the future. It's all, as Emma mentioned earlier, that's why I hesitates to ever give estimates on a circuit breaker. There's many things to take into context as you guys are discussing potentially a jail property tax, library may be discussing a library property tax. We know fire areas are looking at fire districts or fire territory. There are many things to take into context that these estimates that the DG provide may or may not know.

Council Member Harris: You said we've done that for how many years?

Nick: Oh at least the time I've been here, it's historically been worked within the growth quotient and uses cash reserves on hand, if you can.

Council Member Harris: Why would we not say that?

[crosstalk]

Nick: If you want to take a firmer approach and say, don't take the growth quotient and use cash reserves, but then you might want to look at yourself in the mirror and do that same thing if you're going to take that more firm approach.

Council Member Lagemann: The other issue that you run into particularly in Tom's district, in my district where you're seeing exponential growth with that growth comes some of the requirements of service, particularly in public safety. We want to make sure that they don't like I wouldn't want to limit them. If they're growing, they still have to provide services. Those services are going to be inconsistent with the growth and knowing that we're still three years behind, anytime you plat a lot it's going to take three years by the time you realize some of that property tax and they still have to service those residences, they're building the home.

Nick: It's important, and when you say limit them, you really can't. Only the Southwest fire district and airport, but it's also important to keep in mind and that's what council has historically said used the cash reserves because just like Allen County units are also very good. Now the other taxing units are accumulating monies and saying, "We don't have any money." There may be areas where they definitely need it, but it's also important that there's not a disconnect between the people saying, "Hey, we need the money." Then the person holding the money saying, "We don't have any." Well, they may.

Council Member Harris: Are you needing a motion for that?

Nick: Yes. We need a consensus that the council feels to accept the growth-- work within the growth quotient and use cash reserves or something to that extent.

Council Member Lagemann: Mr. Chairman, I would move that based on the data that we see here that we recommend that the taxing units work within the growth quotient and use cash reserves.

Council Member Harris: Second

Chairman Kerley: Motion and a second, any further discussion?

Council Member Curry-Campbell: Question.

Chairman Kerley: Yes.

Council Member Curry-Campbell: What is the amount of the reserve?

Nick: That varies from a unit to unit. If you do want to look into that, I would suggest you look at percentage-wise, not because the township may have \$30,000, but you said, that's nothing, but that might be 300% of their expense. We definitely can do that. I sent you guys something a while back on the fire aspect when that request came, but we can do it for all funds.

Council Member Curry-Campbell: Thank you, sir.

Council Member Lagemann: That's an important question, Councilwoman, because you've got some townships that have really very little assessed valuation and don't have a lot of cash to be able to do complete some of the basic functions of government.

Council Member Curry-Campbell: We want to support our first responders

Chairman Kerley: Entertain a motion and discussion.

Council Member Lagemann: I just gave you a motion. I was seconded.

Council Member Harris: You can't second your own motion.

Council Member Lagemann: No, no. You seconded it.

Council Member Harris: Yes, I did. We're ending discussion is what you want to do.

Council Member Lagemann: Oh, okay. Motion and discussion.

Chairman Kerley: That's what I was doing. Discussion is closed. We are going to vote on the motion to recommend that the taxing entity stay within their growth quotient and use cash reserves. All those in favor say aye.

Councilmembers: Aye.

Chairman Kerley: All those opposed. Motion passes 6-0-1 (Spurr). Is there any other business to come before council?

Nick: I just want to say I know you're going to say it on the meetings but it is correct next for the budget hearing. We are in there. The regular meetings--

Chairman Kerley: That's on the 22nd.

Nick: Regular meetings in here on the 15th budget hearing will be in there just there's-- We book the rooms a year in advance but there's a conflict with this room.

Chairman Kerley: Yes.

Council Member Fries: It's much more intimate there.

[laughter]

Council Member Lagemann: Just before we close I do want to-- we've skipped over liaison reports. I really think we especially right now I've been really trying to get with the entities that I'm the liaison too talking through what their needs are for 2023 as they enter their budget cycle. I'd really like for us to be cognizant that that is important, that's time well spent, number one. Number two, I will say that in spending some time with DPAS they'll be coming to personnel committee with some requests.

I've been through that office. I'd encourage you to go visit with those folks and really see what they're dealing with. They are faced with a number of retirements and quite a pretty decent number of people that are retirement eligible. While I'm super concerned about not growing government needlessly, I also want to make sure that we're not delaying processes. I'm saying this not in any way to you all have to make your decision on personnel committee but I would ask that you just take a few minutes and talk to Ben and spend a little bit of time there.

Council Member Harris: Mr. President is the liaison update for GFW. I'm on the GFW board via this council. GFW had their quarterly meeting last week or week before I've forgotten. Should've been about two weeks ago maybe. In that discussion the advocacy committee came forward to ask the board to support a resolution or an agreement for the support of the library expansion. Senator Long is part of the advocacy committee, as well as a number of people.

Hefty discussion 30, 40 minutes of discussion about whether or not GFW was ready or prepared at that point to support the interest of the library. Ultimately I asked the question as many of the board members were there, when does the library intend to come before council? They did not have an answer. At that point, I believe Tom Didier asked to table it and Ron Turpin seconded that, and the vote was unanimous that they would table the advocacy's recommendation to support.

However it's probably going to be coming up in that October meeting, I believe. As an FYI the challenge for the board, for the GFW board is valid just we're having the same issue with the jail. There was no information for the board to understand what it was specifically that the library was asking. Therefore, that issue got tabled but I want you to know it was a thorough discussion for about 30 to 45 minutes and ultimately tabled but it will be back whether or not GFW would support that.

The discussion surrounded the fact that it's coming before council, and will council even support it at this point. There was discussion and some thoughts on whether that would happen. That's the update, no news, nothing occurred from it but just don't want you to know that's on the docket probably in the future, so that's all I had.

Council Member Curry-Campbell: Purdue Fort Wayne is going to come before you folks, they're looking for a position. I asked them to reach out to each and every one of you individually. I know there's always been a concern about what Purdue was putting in and what return are we getting on that? I requested them to be very detailed in that request and to explain to the body how that offset is being received, spent, and if we're putting a better situation because of the funding, so they will be coming before you and hopefully they'll reach out to each and every one of you. Thank you.

Council Member Lagemann: That's the extension, right?

Council Member Curry-Campbell: Yes sir.

Chairman Kerley: I've had a number of conversations recently with the airport. There may be some things coming down the road in the future, but in the short term, Scott has extended an invitation to all of you to come tour the new facility. If you have not taken that opportunity to do so yet please reach out to him via email, and he would be happy to take you through the updated facility and show you what's coming in the future for additional expansion and some of the other stuff that we funded. Mr. Armstrong.

Council Member Armstrong: Just a brief report on personnel committee. Took the time this morning or late last night I should say. 95 pages of documentation, I haven't set and read and reviewed all of it but we need to get a grip on the spending of these reclassifications, new jobs. I just don't see how we go from 22 into 23, and we are just steadily growing government steadily. Just want to bring that out, I don't know if Kenny, I know Chris has it, but I'm sure Kenny has seen the report that was emailed to us. Just want to give you just a little bit of a heads up.

Council Member Fries: Right now there's five new positions I think going to personnel committee and a whole bunch of reclassifications.

Council Member Armstrong: Yes.

Chairman Kerley: I think we said earlier in this year that we were trying to hold back on reclassifications until we got the-

Council Member Armstrong: Study

Chairman Kerley: -compensation study completed. For those members that are on the compensation study committee do you have an update of where things are?

Council Member Lagemann: Well, so just when I spent a little bit of time with HR over their issue, their software issue got that update. The consultant is getting caught up. The big problem that they were running into was trying to find comparable jobs in other communities and getting those other communities to respond. It sounds like they have done that. We're meeting this afternoon and we should have some real progress to report.

My hope is that we can come back with a-- what I want to do is provide or what I'm requesting from HR assuming my compatriots are comfortable with this, is that have HR provide all of council a brief written update as to where we are in the process, what the next steps are, and some idea of how we compare regionally from a pay standpoint.

Council Member Fries: To that end, the personnel committee they have listed is additional discussions is compensation study update. Can we move that to the first to happen first so we know from the beginning what that update is before we decide on reclassifications?

Chairman Kerley: We can do that. That's fine.

Council Member Curry-Campbell: I'm on that committee. I'll be there this afternoon. As you all know I've been dealing with my son, I did lay him to rest last Thursday and so I will be at that meeting this afternoon so thank you.

Chairman Kerley: You have our deepest sympathies.

Council Member Curry-Campbell: Thank you. Thank you so much.

Council Member Fries: Sincerely.

Council Member Harris: With that Mr. President I'll move for approval to waive the second reading on any manner approved today for which it may be deemed necessary of county council meeting of August 18th 2022.

Council Member Fries: Second.

Chairman Kerley: Motion and a second, all those in favor to say aye.

Councilmembers: Aye.

Chairman Kerley: Motion is approved 6-0-1 (Spurr). The next county council regular meeting will be held 8:30 AM Thursday, September 15th 2022 in the chamber room of Citizens Square that's in here. A 2023 budget hearing will be held 8:30 AM September 22 2022 in the discussion room of Citizens Square which is next door. That was a lot of twos in that statement. With that, I will entertain a motion to adjourn, so moved.

Council Member Armstrong: Second.

Council Member Curry-Campbell: Second.

Chairman Kerley: We are adjourned 6-0-1(Spurr).