

**ALLEN COUNTY COUNCIL MEETING MINUTES
WEDNESDAY, AUGUST 17, 2005
10:00 AM**

The Allen County Council met in the County Council Chambers/Commissioners Courtroom on Wednesday, August 17, 2005 at 10:06 am. The purpose of the meeting was for Economic Development and Salary Ordinances. This was also the 2006 Budget County Budget Hearing meeting.

Present: Darren E. Vogt, President; Paula S. Hughes, Vice President, Michael W. Cunegin II, Calvert S. Miller, Paul G. Moss, Roy A. Buskirk and Paulette L. Kite.

Also Present: Lisa Blosser, Auditor; Tera Klutz, Chief Deputy Auditor; Jackie Scheuman, Financial Advisor, Linda K. Bloom, Marla Irving and F. Nelson Peters IV, County Commissioners.

President Darren Vogt called the meeting to order at 10:00 am with the Pledge of Allegiance.

APPROVAL OF MINUTES:

Paula Hughes made a motion to approve the July 21, 2005 minutes as printed. Roy Buskirk seconded it. Motion passed 7-0.

FINANCIAL REPORT:

Lisa Blosser, Auditor: You have \$8,032,369 left for appropriation in the County General Fund and there are no requests for additional appropriation today. We still have our outstanding debt to the Boys and Girls School of \$8,490,223.

Cal Miller made a motion to accept the financial report as presented. Mike Cunegin seconded it. Motion passed 7-0.

ECONOMIC DEVELOPMENT:

Ashley Steenman: Consideration of a resolution approving Statement of Benefits (SB-1) for Tools, Dies & Molds Company located at 3003 Ryan Road, New Haven. They are requesting an abatement of personal property taxes for new manufacturing equipment. Based on our point system they are eligible for a 7 year abatement.

The proposed project involves an investment of about \$350,000 in new equipment. They are projecting to create two new jobs with an average salary of

about \$30,000; this is in addition to the 56 jobs that currently exist; as a result of the abatement to company will save approximately \$11,000 in property taxes over the 7 year abatement.

Approving this will allow the company to receive a tax abatement deduction. Victor Baird, Controller for the company is here to answer any questions that you may have.

Paula Hughes asked Mr. Baird to walk them through the expansion and tell them about what is going on.

Victor Baird explained what the equipment was and how it was to be used. This company has been in the community since 1959 and is in the manufacturing business.

Paula Hughes made a motion to approve resolution 05-08-17-01 for a statement of benefits for Tools, Dies & Molds Company. Roy Buskirk seconded it. Motion passed 7-0.

SALARY ORDINANCES:

Paul Moss as the liaison for the Department of Health stated that the 3 positions have gone through the Personnel Committee and there is an additional position with a grant.

Mindy Waldron, Administrator for the Department of Health stated that the main purpose of the reorganization of the Department of Health was to make sure that they were utilizing their resources to the best of their ability and make sure they are accommodating the services needed in 2005 and 2006 in public health versus what they typically have done.

Darren Vogt asked Mrs. Waldron to explain the TB Block Grant position.

Mindy Waldron stated the grant position is through the TB Block Grant and is a new grant but will be a recurring yearly grant. The grant will be provided through CDC money that is provided to the Indiana State Department of Health that is allocated to local Health Departments throughout the State. They lobbied for this to be an extra outreach worker for a specific need with the schools etc. They agreed to give us this grant and to extend it pretty much unending.

Cal Miller made a motion to approve the salary ordinance for the Medical Assistant and two Infectious Disease Specialists. Roy Buskirk seconded it. Motion passed 7-0.

Cal Miller made a motion to approve a salary ordinance for the TB Outreach Worker in the TB Block Grant at a rate of pay of \$10.00 per hour an annual salary of \$19,500. Mike Cunegin seconded it. Motion passed 7-0.

Darren Vogt: Next on the agenda is an amended salary ordinance for Circuit Court IV-D Magistrate/Hearing Officer. This is an administrative clarification as it was passed at the incorrect salary at the July 21, 2005 meeting.

Cal Miller made a motion to approve the amended salary ordinance for the Magistrate/Hearing Office for Circuit Court IV-D. Paul Moss seconded it. Motion passed 7-0.

Mike Cunegin made a motion for the approval to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council meeting of August 17, 2005. Cal Miller seconded it. Motion passed 7-0.

Darren Vogt: He received a letter from the Leo/Cedarville Regional Sewer District; Council has an appointment to this board that will expire September 1, 2005. Mr. Neil Whistler has agreed to be appointed for another 4 years if we so choose. I spoke with the Secretary Treasurer and he stated that Mr. Whistler does a fine job and has been there since 1982 and continues to support the area. It would be my recommendation that we continue his appointment to that board.

Cal Miller made a motion to continue Mr. Whistler's appointment to that board for another 4 year term. Paul Moss seconded it. Motion passed 7-0.

Darren Vogt stated that he would let the Leo/Cedarville Regional Sewer District know about this reappointment this afternoon.

Another issue that we need to discuss is the Boys and Girls School debt; we need clarification because due to some discussion, after a meeting that we had in the Commissioners office, there was some confusion as to the original motion that was passed. Please help me in clarifying this; the motion was that we were going to pay the current balance on the bill plus the Psyche fund and then \$1,000,000 a year after that. The balloon payment was going to be in 2009 an amount of \$2,000,000.

Cal Miller: I believe the motion was that we would continue to stay current on the bills the County receives for housing the juveniles at the state level and we would use the Psyche fund, as it comes in, on an annual basis to retire the debt

or stay current or pay down the current bills. And that at the tail end of the 4 year period, outlined for us in the new state law about the debt, we would make a balloon payment to retire all of the debt; with the footnote being that if the Psyche fund did not generate \$800,000 or more the length of that repayment could be drawn out further.

Darren Vogt: That is what I thought the motion was but; what I want to clarify further is the 4 year period; the statute does not state, and I confirmed this in the Auditor's office, any type of time frame of repaying this bill in a 4 years period so we are not required to pay this bill in 4 years. However we are required to stay current on our bills or the State will take our PTRC money. After a conversation with the Auditor and her staff we don't want them to take our PTRC. So the motion was: pay current bills plus the Psyche fund and have a balloon payment in 2009. Is that the clarification of the motion and is there any problem with the second of that motion?

Paul Moss: I would like to rescind my second now that it has been clarified.

Darren Vogt: We now have a situation that the second to the motion was rescinded so we need a new second to that motion.

Cal Miller: What clarification are we talking about; that it doesn't need to be repaid in 4 years or that there just needs to be a plan of repayment?

Paul Moss: I would like to suggest that we remove the portion of the motion that refers to the balloon payment and simply have a motion that we remain current while the issues down in Indianapolis get worked out through the court system.

Roy Buskirk: Should the Psyche fund be applied?

Paul Moss: That may or may not be enough to keep us current; we may need to actually put some additional funds toward the debt. I am not making a motion as there is already a motion.

Darren Vogt: So we will have to have discussion on that matter now.

Cal Miller: I just want a clarification on the withdrawal of the second; are we now under the impression that the State doesn't require a specific time?

Paul Moss: As much as I publicly hate to announce my confusion to your rather lengthy motion some time ago and actually the clarification of your motion not knowing what you just said about not knowing about there not being a specific

length of time I would probably continue to support it if the 4 year cap was still there. But since it is not the case I think it gives us an additional opportunity.

Cal Miller: Who have we been guided by in the interpretation of that state law with respect to now the absence of which we at first thought was a 4 year time frame for repayment?

Darren Vogt: Our legal counsel.

Cal Miller: Have we had any discussions with the State; I know that you have attempted to President Vogt?

Darren Vogt: Yes, we are still in negotiating stages, the statute says that we have to have a plan in place by August 15th. I had a conversation with Mike Smith who is their attorney and he said it is fine if we need to clarify some things first; he said that was ok just so we get something going forward so we are not in any jeopardy of losing our PTRC at this time. We are basically in the beginning stages once we have a motion and a second and it passes; I will send them a letter based on what that plan will be then they will come back to us and say if it a favorable plan or not. Then we will have to come back and it will be an on going negotiating process.

Cal Miller: So if we can't reach an acceptable plan both to this Council and the State even if we remain current on the expenses the State charges for housing juveniles we still may be in jeopardy.

Darren Vogt: They will take our PTRC over a 4 year period to pay off the debt.

Cal Miller: So it is not merely keeping current that keeps the State's hands off of our PTRC; it is ultimately arriving at a payment plan.

Darren Vogt: There is a part in the statute that talks about whether or not we have to pay the current bills; it is all in the budget bill just in different places. We have to stay current in one area and in another area it talks about the repayment plan.

Mike Cunegin: I will withdraw my motion if need be. The important thing that we need to know is that there a lot of things going on in Indianapolis and some of it is what we are talking about. Grant County has jumped on board with Marion County and as I say this they are in threat of holding the PTRC, the State is not playing with us; they want the plan.

Roy Buskirk: I think we need to pay the current bill and use Psyche Fund money to reduce the debt each year. Obviously it will not pay it off in 4 years but

it is my understanding that the State is not requiring it to be paid off in 4 years. With that we can take longer and use the Psyche fund to continue to pay.

Cal Miller: When we had this discussion at the last meeting we were trying to come up with a scenario that was most favorable to Allen County not the State of Indiana but at the same time complying with the law that was passed recently. What I am hearing now, if Mr. Okeson's interpretation of the statute is correct, ultimately this Council, through the efforts of President Vogt, can enter into an agreement that is more favorable than what Councilman Cunegin and I are proposing in our motion then I would certainly be in favor of having you do that. I don't want our motion to get in the way; I would applaud you if you could get a better deal so if you can get a better arrangement by all means try it. I will be happy to withdraw my motion if Councilman Cunegin would to permit you to do just that. At the same time and perhaps every single one of you would agree that we need to have those dollars continue to be earmarked and not spent to deal with this obligation so we don't put ourselves in a deplorable situation.

Mike Cunegin: I will withdraw my second as long as we have a plan because that is all they want.

Cal Miller: I will also withdraw my motion.

Darren Vogt: So the motion and the second have been withdrawn. As I hear it and I will restate what I heard: We need to keep current; Tera worked on a letter this morning and I would appreciate it if you would take a look at it. This would be the proposal that shows the Psyche fund in 2005, which we have not paid, will be \$992,391 and that would go toward the debt of \$7,845,000. The verbiage that we agreed on as a Council are in items 1, 2 & 3 regarding keeping our options open from a legal standpoint.

Cal Miller: So this is what Councilman Buskirk was advocating and that is stay current on all future obligations and reduce the debt with the Psyche fund.

Darren Vogt: I still think we need to have a voice with our state legislature and I know that they probably won't be in favor of this but we pay 100% of those that aren't placed with the state and 50% of those that we place in the State facility.

Mike Cunegin: The 50% is being addressed at the State level through the legislature. We are negotiating with the DOC because the State of Indiana is only one of 6 states that still do it the old fashioned way. The Community Corrections is working with the DOC to keep the money locally.

Cal Miller: President Vogt, if you are successful in negotiating with the State for the acceptance of this payment plan, which has been proposed by the letter the Auditor's office has assisted you in preparing, then Allen County will have approximately \$8,490,000 to spend elsewhere! Good Luck!

Roy Buskirk: I make a motion that we stay current and that the current debt of approximately \$7,800,000 be reduced annually with the excess in the Psyche Fund. Paula Hughes seconded it. Motion passed 7-0.

Paul Moss: I would like to see a sheet that shows the projected numbers according to what we have paid in the past.

Darren Vogt: The problem with the Psyche fund is that it is a State controlled fund and they can do what they want to with and it is one of our negotiating tools as they are using it against us and hits our levy.

Roy Buskirk: If the Psyche fund is reduced then our payment will be reduced.

Cal Miller: I have provided each of you an e-mail that I received from the County Assessors office. The County Assessor believes that there was an error or something slipped between the cracks when we decided her budget at the last round table meeting that we had in the Commissioners Conference Room and that the mistake or oversight was that we passed the Reassessment budget after a great deal of discussion. If you will recall the County Assessor submitted a general fund budget of approximately \$26,000 less than what she had last year; the assumption being that she would have reassessment funds available to her to make up for the short fall and actually increase her budget. That was not what happened; we dealt with just her Reassessment fund and made changes there but never did go back and look at her general fund budget. Now that she has reduced her Reassessment fund from \$1.4 million to a little under \$800,000 the thing that got lost in the shuffle was the reduction in her general fund budget. Now that she reduced her Reassessment fund request by about \$700,000 I think the County Assessor wants to have the issue of her requests for her general fund allocation reconsidered. To make a long story short she wants about \$27,000 more whether it comes out of the Reassessment fund or the General Fund.

At this time the general portion of the meeting was closed on a motion by Mike Cunegin and seconded by Paula Hughes. Motion passed 7-0.

