

**ALLEN COUNTY COUNCIL
MEETING MINUTES
SEPTEMBER 22, 2010
8:30 AM**

The Allen County Council met on Wednesday, September 22, 2010 at 8:30 a.m. in the County Council/Commissioners Courtroom. The purpose of the meeting was for the review of Allen County Civil Tax Unit Budgets.

Attending: Paula S. Hughes, President; Darren Vogt, Vice President; Roy A. Buskirk; Maye Johnson; Larry L. Brown and Robert Armstrong.

Also Attending: Lisa Blosser, Auditor; Tera Klutz, Chief Deputy Auditor and Becky Butler, Administrative Assistant.

The meeting was called to order by President Paula Hughes with the Pledge of Allegiance and a moment of silence.

Paula Hughes: First up, we have the Allen County Public Library. Gentlemen, if you could, introduce yourself for the record, please.

Dave Sedestrom: I am Dave Sedestrom, Financial Manager of the Library.

Jeff Krull: I am Jeff Krull, Director of the Library.

Paula Hughes: Talk to us about what is going on with your budget.

Jeff Krull: We will give you a brief outline of what has happened and will answer any questions you may have. Our proposed budget for 2011 is down a little bit from our current 2010 budget. As we reported last year, we have been scaling back everywhere that we can in anticipation of the revenue that we have seen on the horizon. We have reduced the staff by thirty-two full-time equivalent positions.

Paula Hughes: What is your total staff number?

Jeff Krull: Total FTE's is at 311 or 312.

Paula Hughes: So a ten percent cut.

Jeff Krull: Yes and as you know, that is not easy to do. We tried to do it by not filling positions and tried to avoid, at all costs, laying anybody off. We feel that we are down in many areas and that additional reductions would be very hard to absorb particularly in a branch where we have four full-time

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equivalent staff and try to maintain everyday hours plus Saturday hours and two to four evenings per week. If you lose somebody there, you pretty much have to replace the position, move someone from somewhere else or look at reduction of hours. We haven't done that and really want to avoid that if we can. We took a real hard look at all of the back office positions that come open. Right now we have one that we are not going to fill. Last year, I think we reported that when our Associate Director retired, we didn't replace him. We managed to reorganize and reassign. I would say that the staff is stepping up to the plate and really pitching in and understanding the situation. We are doing everything that we can to keep the services at the levels that we have offered and to do it with the revenue that is available. In the 2011 budget, we do plan to tap into some foundation funds that we have available through the Edward and Ione Auer Endowment which is growing thanks to the generosity of Mrs. Auer in her will. We are using those funds to support the operation of the Genealogy Center. That obviously frees up money for operations for the local library services which is the nuts and bolts of what we do. We continue to look at things that we can do to make our operations more efficient. We've implemented the self-checkout at the Main Library and are doing 90% plus of the checkouts there. It's been really successful but we still have some people who don't like it and don't want to do it but that number is dwindling as people get accustomed to it. In a nice way, we are forcing people to do it. We have people there to assist and instruct but we are not going to go back and do it for them. Dupont Branch, which is our busiest, has two self-checks and we are going to modify the checkout desk and install two more. That one, being a busy branch, we are going to try to go gung-ho as much as we can. Next, after that, would be Georgetown and then Aboite. Those are the three busiest. There may be a point at which, if the self-check investment doesn't pay, we will evaluate that.

Paula Hughes: How much is one of the self-checkout units?

Jeff Krull: Installed, it runs about \$25,000.

Paula Hughes: How long is it expected to last?

Jeff Krull: They are pretty simple and so I don't think we are going to have to do a lot of replacement on those. We are doing some things that might seem kind of minor but I think, over time, can add up. For example, with the self-check, people are having a little more time in opening the cover of the book and scanning the barcode. The same thing when the book comes back. We have decided to put the barcodes on the front cover. That seems like a minor thing and has a few downsides such as wear and tear and things like that but overall we have evaluated this as something that is going to save us incrementally but will add up at some point. Another thing that we are doing,

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in terms of technology improvements, is that we will soon be introducing a new interface for the library catalog where you look up books and videos and such. It is a product that other libraries are using and is called Aqua Browser. It gives a much more intuitive or Google-type experience where you don't have to know that much about what you are looking for. The current catalog is okay but it is still a little bit librarianish. For us it is great but the average person is looking at it "why did it come up with that when I put in this?" This is much more intuitive and intelligent search engine that will cut down on the questions that we get.

Paula Hughes: This is an aside but I had a conversation last week with somebody talking about the days of the Dewey Decimal System. I can't believe that in my lifetime, I started actively using the system when I was ten, in thirty years we have had such a revolution in the way we approach the cataloging and how much more accessible the information and data is.

Jeff Krull: I sometimes regale the younger staff with tales of filing cards in the card catalog. In those days, the Junior Librarian couldn't file it below the rod in the drawer. They would file the cards above the rod until somebody came to check and make sure that it was right. They would then pull the rod out and the cards would fall in line.

Maye Johnson: One of my first jobs out of high school was to type those cards.

Jeff Krull: Well, Maye, you are now talking my language. There was the little platen on the typewriter.

Maye Johnson: On the computer service, are the services really being used?

Jeff Krull: The public computers are probably one of our most popular services. They are for people that don't have the technology. We have seen more and more functions that require computers such as applying for benefits or applying for jobs. It is amazing how many people need basic instructions. You would think that almost everybody would know that by now but it is not the case.

Darren Vogt: Do you track the usage and what the usage is for? How many of it are kids playing games and that kind of stuff versus meaningful things?

Jeff Krull: Through a reservation system, we know how many hours are used. We don't really have a way of tracking the purpose that they are used for. It is more anecdotal when somebody will go to a branch and say that they were looking for a computer and a bunch of kids were sitting there playing games, on Facebook or something. We do get some of that. We try to allocate the

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resources. In all of our locations, we have children's computers for kids twelve and under. Now it depends on the branch, and some branches allow the kids on the adult computers as long as there is nobody there to use them. In others, because of the sheer volume, it is a hard and fast division. There are some of those competing interests that we have to deal with.

Darren Vogt: I would want to make sure that somehow we are allowing those folks that are job hunting have access.

Jeff Krull: We had special hours for unemployment applications or that type of thing. I think we are pretty sensitive to that and try to set the priority so that the most important uses are accommodated. I am doing a lot of talking here and don't want to give you more information than you want. Our compensation budget is going to be down a little bit. That reflects the staff reduction. The budget that we submitted does include funding for a two percent pay increase but we have not made any decision on that. That will be a Board decision after the salary surveys are completed. We do an annual salary survey of libraries and local wage rates and that is usually completed about now. It has become very popular and the libraries love it. We use that to see how we stack up and then we evaluate what kind of resources we have. Last year we went with a one percent pay increase. We are budgeting nine percent for health insurance. Last year we budgeted a sixteen percent increase and got very good news with only a three percent rate renewal. Our budget last year was more than what we needed. This nine percent is based upon the current cost of the health insurance. We don't have renewals yet for that. We are expecting preliminary numbers by the end of the month. When we get down to the bottom line, I could mention the book budget or the resources. Our proposed budget of \$3,755,000 for materials is somewhat less than what we spent in 2001. It has been pretty flat and a little bit of a challenge because new formats keep coming along. We have done a lot with downloadable audio books that people can play in their car or MP3 Player or I-pod. E-books are coming on strong. In 2011 we will make a significant investment in offering E-books to our patrons. That will have to come out of the book budget and so we will be buying fewer printed books and be dabbling into the E-books.

Paula Hughes: I wondered about that. I have become more of a Kindle user over the last year and still frequent the library quite a bit and I wondered if there was going to be a time. I noticed that you had the audio books.

Jeff Krull: 2011 is the year that we go into that. It has been a little problematic because the only game in town is a company called Overdrive. It is a good company but the experience isn't quite as smooth as Kindle buying a book from Amazon. You have a two-step process and we have been a little

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apprehensive that it might be a little cumbersome. They are making strides and we think it is time to give into it. People will be able to use different types of readers to download these E-books.

Paula Hughes: Great.

Jeff Krull: Of course, we are dealing with the COIT shortfall and the property tax cap credits. The budget before the property tax cap credits was in the black and then we deduct that and we are in the red. We have appropriated \$500,000 from our Rainy Day Fund to cover that, if we need it. Our goal will be to scale back and try not to use that even this year. We can do that through the staff compensation and that will be our goal to do that.

Darren Vogt: Okay, let me rephrase that. Your goal is to use some Rainy Day Funds but you are not going to use some Rainy Day Funds?

Jeff Krull: Right. When we calculated the budget and took the property tax cap credits off, we are in the red to the tune of almost \$500,000. So, to be prepared for that, we have appropriated \$500,000 from the Rainy Day Fund. If we can balance the budget without spending that \$480,000, we'll do it. We may get good news on the health insurance again.

Roy Buskirk: This last year, your Rainy Day Fund has increased about half a million dollars, correct?

Jeff Krull: Currently, the Rainy Day Fund has about \$800,000.

Roy Buskirk: Last year, in June, it was \$260,000. This last year you were able to save and put about half a million in there.

Dave Sedestrom: Actually that came from a COIT distribution at the beginning of the year.

Roy Buskirk: Oh, that's right. We received some of that news too. Your health insurance, were you done Darren?

Darren Vogt: Go ahead.

Roy Buskirk: Your health insurance is separate from what the County's health insurance is?

Jeff Krull: Yes it is.

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Roy Buskirk: Okay. I know that a couple of years ago when I attended your public hearing on the budget, there were several families that had given gifts from not only Allen County but also outside. How is that compared to years past? Are they increasing or decreasing? Do you know approximately how much that was?

Jeff Krull: We have a Genealogy Endowment Fund that we use as a general fund for solicitation of gifts from Genealogy visitors. That tends to be small gifts from \$50, \$100, \$200 from people who come. We send them a letter saying that we hope they had a good experience and that local tax dollars are paying for this and we would like to get them onboard. That is bringing in maybe \$20,000 a year. Not a huge amount. We also get significant grant funding from different sources. The Foellinger Foundation has been very supportive. The Knight Foundation funded a special program that we are involved in right now to increase the technology, training and resources for what we consider as underserved populations of non-English speaking citizens. We have targeted those at certain branches where they have more clients in that. The Auer Endowment has been huge and will be getting bigger. As that builds, it helps take some of the pressure off the operating budget as well.

Roy Buskirk: It so happens that when I attended that, there was a family from Michigan that had given a considerable amount of money.

Jeff Krull: Right and we continue to try to cultivate those kinds of donors.

Roy Buskirk: Last year, or when you get to be my age these years kind of go together, you had discussed about the delivery of requested books and how much that actually cost in moving them out to the branches and everything. Have you worked on that system of delivery and improved that?

Jeff Krull: One thing that we have done is reduced the number of items that any individual can place on hold at any given time. That was what was causing a lot of the issues because some people would have dozens, fifty or one hundred items placed on hold. When that item became available, we would run around and get it and deliver it to wherever the person wanted to pick it up. Unfortunately a lot of those were not getting picked up or someone would come in and see that we had six of what they were looking for and they would say that they couldn't use all six so could I have just one and put the rest back? That wasn't typical of everybody. There were home school families that used it a lot because they would use it to pull collections together to teach a certain lesson. It was a great convenience but we couldn't continue to do it so we scaled it back to a limit of five. People have adapted but of course

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now we see mom, dad and each child ordering but that's okay. We can accommodate that.

Roy Buskirk: That's better than death threats.

Jeff Krull: Yeah and actually putting the barcodes on the front of the book is going to speed this whole thing along too. This motion done over and over and over and eliminating that helps to make the process more efficient.

Roy Buskirk: And actually is better on the book, on the binding and everything.

Jeff Krull: We had the best of all worlds, we would probably do a radio frequency id conversion. You can send them down a conveyor and it will presort them for you. When you check out a stack of books, instead of having to do each one, you could swipe your library card and wham, you are done. The RF id tags are at least thirty-five cents each and the labor of converting the whole thing is really big for us. We would love to do it but the capital investment is pretty significant.

Roy Buskirk: Two more questions, or a question and a comment. One of them is that you use the Dewey System on cards, correct?

Jeff Krull: Correct.

Roy Buskirk: I know that several years ago, the school systems use a difference index system. Is that correct?

Jeff Krull: There are two primary classification systems, Dewey which is a decimal classification and the Library of Congress classification which is an alpha-numeric system. Some libraries, years ago, converted from Dewey to LC. That is not happening too much anymore because it is a massive job and is really not a huge amount to be gained by it. The whole reason for classifying things is so that you put similar material together on a shelf. If you didn't, there would be just a random warehouse of books. We don't do a lot of classifying ourselves because this is because most of the things that we buy have already been cataloged and classified. The problem is that over years these systems will be tweaked a little bit and we may have the stuff over here and when the next edition comes out and the stuff gets a little different number. Either you modify to put it here or you wind up with a chunk of stuff and over here is another chunk of stuff. It is kind of an ongoing issue that all libraries deal with.

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Roy Buskirk: The comment that I wanted to make is that recently, in the news, Indianapolis or Marion County is closing the main library one day a week, I think Thursdays. The branches are being closed two days a week. I think it is great that we are not cutting back on the hours or anything and still be able to stay within the budget.

Darren Vogt: That leads me to the next question. Will we get to that or where do you see this, going on down the road? You talked that, at some point, it could be something that happens.

Jeff Krull: It looks that 2011 and 2012 are going to be tough years and maybe even beyond. I think it just depends on how long it takes for things to turn around. If the income tax collections starts to turn around and the economy picks up a bit that is going to help us. The next couple of years, we are trying to get through. We are going to keep on trying to scale back on staffing but there may be a time that we will have to dip into the Rainy Day Fund to get us through. We have General Fund cash reserves as well. Maybe 2012, we will have to dip into that. I think it depends on what we see coming down the road. It looks like this isn't getting any better and this is going to be a new normal for us and it is going to be at a lower level. At that point, we have to take a look and say that we have to change some basic things like operating hours but I don't think we see that for the next couple of years. We would rather try to gut it out and dip into the reserves a bit if we have to in order to maintain services.

Roy Buskirk: I am sure that you checked, as far the insurance. That kind of caught me by surprise as far as being with the County's insurance program or not. I would think that with a bigger group, it would possibly be better as far as rates. Have you ever considered going with the County program?

Jeff Krull: I don't know that we can do it.

Paula Hughes: That is an interesting question. Typically these entities are large enough on their own that any scale is met by their own volume. I know that is why City and County have separate plans. I am not sure that they could agree on what they offer too. For three hundred employees, it might be worth the conversation.

Maye Johnson: Have you incurred any expenses in providing services for the immigrant population?

Jeff Krull: Yes, we do see that as an issue because people come to the U. S. and people are not accustomed to the public library concept at all. There is a big education and learning curve there. There could be issues of competition

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in competing for scarce resources. You have a group that is accustomed to having access and now there is a new group in the neighborhood who are new. At the Hessen Cassel branch, we had a little of that going on. In fact, we had some meetings where we called in people from the Burmese community and some of the longer-standing local residents. We had some discussions about how we all can share the resources there. We actually beefed up the number of computers out there because the demand had increased. We were able to throw a little more resources into it. That wasn't going to do it all alone. It had to involve some face-to-face facilitation to resolve this thing. I think it was very successful.

Paula Hughes: Council, are there any other questions? Thank you for joining us this morning. Council, I need to ask your pleasure. Do you want to suggest any recommendations as we deal with each budget or do you want to talk about them all at the end?

Roy Buskirk: I think it would be better, time efficiently, if we did them all at the end.

Paula Hughes: Okay, that's fine. Next up is Wayne Township and Trustee Stevenson. Good morning gentlemen and could you please introduce yourself for the record.

Rick Stevenson: Rick Stevenson, Wayne Township Trustee.

Curtis Whitaker: Curtis Whitaker, Financial Advisor.

Paula Hughes: So, talk to us about your budget. We had a little bit going back and forth. Fill us in and tell us what is going on.

Rick Stevenson: Well, we are amongst trying times and as you can see, just to let you know, we have been looking at this budget two and three times and by accident the wrong draft got out. With me today is our CPA, Mr. Whitaker, and he will be presenting the budget to you.

Curtis Whitaker: You should have in front of you a copy of the budget or the information that was provided by Ms. Klutz. The information that you have has two things that are significant to us. First is our certified budget and you will see an approximate 51% increase. In the certified budget for 2010 to 2011, one thing that 2010 does not capture is the additional appropriation request that we are going to make. That is one of the changes that we made in the draft versus final budget. We had to include that extra \$900,000 of additional appropriation for our Township Assistance Fund. We have the cash to make payments but we did not receive enough appropriation from the

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DLGF when they approved the 2009 pay 2010 budget. That is one thing that we wanted to point out. The other thing is the 2010-2011 change in our levy. Last year, as you may remember, we reduced our levy and budget. The levy was above 16% last year. When we did that, we reduced it below our working maximum levy. As you are all aware, working the maximum levy is the amount that is typically funded by the Department of Local Government Finance. E left about \$60,000 to \$80,000 on the table. This year, because of the times that we are in, we can no longer afford to do that. We are simply asking that we meet our working maximum levy. That is the 5.41% that is above the 2.9%, the State average growth quotient for 2011. I was reading an article recently regarding the difficulties that the service providers are having with increase in demand. A lot of that, we feel at the Township. It is one thing, we don't want to raise taxes. The Trustee has written a grant, and it was accepted, for \$10,000. It was an ESG grant. The Township doesn't provide, I will let him explain about deposits.

Rick Stevenson: One of the big obstacles, to help people with shelter, is deposits and first month's rent. It has been the policy of most Townships to not offer deposits. That is basically because once you have presented a deposit and you meet all of the requirements, those deposits will generally go back to people. That would mean that they would get a cash layout from the Trustee indirectly. That is something that the Trustee does not do, pay direct payments to individuals. It has been a big problem for us to find shelter. We were able to locate a grant to cover some of those necessary things. What it does is help people get into affordable housing. Many times we find that people become eligible for Fort Wayne Housing Authority and they need a \$100 deposit to get in. We exhaust the community and try to find it. Sometimes we find ourselves short and so this will be a tool that we can use to meet that criteria. The question would then be what happens if that deposit becomes available? Because it is on a small scale and generally with the Fort Wayne Housing Authority we are trying to come up with a policy that would make it go towards the rent, instead of direct payment to them, or refunded back to us so that we might have a revolving fund.

Paula Hughes: That's a good idea.

Curtis Whitaker: The final thing that we would like to note is that on our budget is that we really held the line. We didn't seek an increase, from a budget perspective, in those areas for our General Fund. Our General Fund, we consider our Admin Fund. That is where we pay most of our admin costs like a normal nonprofit would do. Our Township Assistance Fund, which used to be termed Poor Relief, is where two things happen. We have to have the individuals there to receive the clients as they come in. That is also where vendors are paid from. We have tried, as best we could, to hold the line. It is

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difficult, to be honest with you, as we continue to work within the confines of the Circuit Breaker Tax Caps. We are desperately seeking assistance from any other places that we can find. We are writing grants daily.

Unfortunately, the Township is a unit of government in Indiana but other states do not have Townships. If we request some funds, let's say from a Federal agency, they will look and say it's not necessarily a governmental unit. If a Senator or Congressman doesn't have a Township in their District or State, they will be less likely to see funding go to it. That is our challenge as we continue to try to reduce taxes but also provide a service that, in these times, is sorely needed. With that, we will be happy to answer any questions.

Darren Vogt: I just want to clarify one quick question. You said that the General Fund is your Admin. Your point was that staff who is helping to intake...

Curtis Whitaker: Yes.

Darren Vogt: I just wanted to make sure that I was on the same page.

Maye Johnson: Do you plan any salary increases?

Rick Stevenson: No, we are going to be basically flat. Recently we had one or two employees retire or move out of town. We are in a dilemma now about how we are going to cover that without bringing on additional staff. It is an area that has been really tough but we have been making it over the last thirty, sixty days for cross-training and moving people around. We are planning on being flat.

Paula Hughes: Council, are there any other questions?

Darren Vogt: Just one quick one. On the Township Assistance, I know there is a reason for it but the 2010 certified budget was \$1.9 million and this year it is \$3.1 million. Walk me through that so that I understand how it is \$1.2 million more

Curtis Whitaker: Any budget that is approved by our Board and recommended by Council ultimately has to pass muster with the DLGF. If we do not have enough cash to support the budget that is requested, they have the magic wand or pen to reduce and in this case, that is what they did. This number, from a budget perspective, was similar to what we introduced last year but once it got down to the DLGF, they determined that you don't have enough operating cash to support the budget that was submitted. We had some cash in reserves and that is what we are utilizing to make up that difference in order to seek the additional appropriation. After that, our

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reserves will be exhausted and then we will have to operate in the confines of the tax caps and everything else.

Darren Vogt: Okay, so basically this is the last that you will have reserves and then you will be back down to the true \$1.9 million.

Curtis Whitaker: We are staying within the confines of our levy. As you know, 2.8 is the maximum levy but that doesn't take into account the Circuit Breaker Tax Caps. We won't receive \$2.8 million. We will probably be somewhere, you probably know better than we do, around 90%.

Roy Buskirk: That is the one problem with trying to figure out what these budgets are going to be in the fact that it depends on other government units. A lot of people don't understand that it is actually the State that sets that levy amount. We have been real fortunate because the Auditor's Office has been able to do some very good estimates on what the impact will be.

Paula Hughes: All right, thank you gentlemen.

Curtis Whitaker: Thank you and thank the Auditor's Office. They continue to work with us and help us as we have these needs.

Paula Hughes: Next up is Fort Wayne Public Transportation. Introduce yourself for the record please.

Ken Housden: Ken Housden, General Manager.

Robin Strasser: Robin Strasser, Controller.

Paula Hughes: Talk to us about your budget.

Ken Housden: It's balanced.

Paula Hughes: Excellent, it's a good start.

Ken Housden: And we are not broke. You know from the last few years that it's been an interesting ride for us. There's an ancient Chinese blessing that is also a curse, may you live in an interesting time. These times are certainly interesting. We have been fortunate enough to recover from where we were two or three years ago when we were cutting service and laying off people. There are a number of reasons for that. We are establishing and contributing to a Rainy Day Fund. We have been able to do that by not implementing service that we budgeted for this year. To sum up, our approach is conservative and we are trying to the best with what we've got. We are

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looking forward to the out years in our financial planning. We just had a Bard retreat that focused on union negotiations. The year that we are concerned about is what do we do in 2012? We are in good shape here to there and if the world ends on December 21st, the Aztec Mayan Calendar, we are done. Other than that, we are trying to look ahead and be very proactive in our approach. When we were before you the last time, we were in the midst of union contract negotiations. We are in the first year of that contract with a one percent salary increase, next year is 1.5% and the following year is 1.5%. I think that compares very favorably to everybody else. We also were able to negotiate a radical change in our insurance medical coverage. We hope that it will return some significant benefits to us. We haven't gotten the numbers yet. We won't know until probably November or December. We have done a number of things on how we buy insurance, what we self-insure and what we don't. We have become aggressive on how we look at the bottom line. We just recently completed an update to our Transportation Development Plan which involved an incredible amount of surveys. I can tell you that we provide about two million plus or minus trips a year. Most of our people are working people and folks who are trying to better themselves by going to school. I think I will stop there and we are fully prepared to answer any questions you have.

Paula Hughes: Council, are there any questions?

Roy Buskirk: Obviously, the revenue from the bus rides will make up some of the difference from the proposed budget and the proposed levy.

Ken Housden: I believe we are around fourteen percent in fare box recovery. That compares favorably throughout the United States. A lot of places it is less and some places it is a bit more.

Roy Buskirk: Fourteen percent of the revenue is from...

Robin Strasser: Roughly twelve to fourteen percent of our expenses are covered by fare box revenue.

Maye Johnson: Has your ridership increased or decreased?

Ken Housden: It depends on what you compare it to. Over time it has declined. When we have had high fuel prices, we had standing room only. We have dropped off from that somewhat. For me, the disturbing trend has been the Access ridership where we serve the less fortunate folks in the community. That has declined a little bit. The ancillary evidence seems to point to those folks who are handicapped have lost their jobs and they don't need our service anymore. They still go to the doctor and shopping and those

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kinds of things but the economy has had some pretty dramatic impacts on that community.

Darren Vogt: You were doing some stuff with the schools. Can you give us an update on that?

Ken Housden: Absolutely. It is CampusLink and we are in the second year. I just happen to have a brochure. The rule of thumb is that the development of a new route, you don't know how well it is going to do until it has run three years. That is the general rule of thumb in the industry. We are beginning the second year, I apologize that I don't have the most up to date statistics, but we are up 150% over last year. It's a homerun. We are very pleased with it. IPFW and Ivy Tech are pleased with it. The grant funding that pays for that runs out in 2012 and we have already begun discussions on how we are going to close that gap. We have received national attention and have been asked to speak at a national APTA, American Public Transportation Association conference, and tell everyone how we did it.

Paula Hughes: Has there been any conversation about forging a partnership with K through 12 school systems?

Ken Housden: We are certainly open to that but there are some Federal regulations that we would really need to discuss how we would do that. We are prohibited from engaging in what would amount to charter service. You would recall that a number of schools would hire another company to do that. The general theory is that the Feds don't think that they should give us money to compete against the folks who pay the taxes.

Paula Hughes: All right. Thank you very much for joining us this morning and we look forward to another successful year for you. The Airport Authority is not going to be appearing this morning. I had a conversation with Tory Richardson and basically they are presenting a flat budget. They're advertising at the levy amount and they are well aware that it is not what their budget will wind up being. Moving along, the City of Fort Wayne is not here yet. Mayor McDonald is but are you waiting on somebody? Two people?

Tera Klutz: Marion Township, Harold Kleine, is here. Harold, do you want to come up and do Marion Township while you are here?

Harold Kleine: I'm ready.

Tera Klutz: Come on up.

Harold Kleine: Harold Kleine, Marion Township Trustee.

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Paula Hughes: Good morning, welcome. You have presented a budget that has an increase of 026%. Is that accurate?

Harold Kleine: Correct.

Paula Hughes: That seems fairly reasonable.

Harold Kleine: It better be.

Paula Hughes: One of the things that we are going to talk to all of the townships about is their fund balances as of June 30th. We have several years where we couldn't have this conversation because of the timing of tax distributions. In looking at particularly your General Fund balance, which is about two-and-a-half times your annual certified budget, are you saving up for something?

Harold Kleine: Not really and I haven't raised it either. They did that about four or five years ago and it's not my fault.

Paula Hughes: Okay.

Harold Kleine: Okay.

Paula Hughes: Council members, are there any questions?

Roy Buskirk: The one thing is that he is not raising it as much as the DLGF would allow him to. He is way underneath that and I think it is just basically a reserve for you, right?

Harold Kleine: Correct.

Darren Vogt: I think the question is how much reserve should he have?

Roy Buskirk: Right.

Tera Klutz: Harold, one of the laws changed this year that allows tax units and townships to use their cash balance up and not lose their maximum levy amount. That just changed this year for next year. So instead of having two-and-a-half times your full budget of cash sitting there, it allows you to use some of that cash to balance down without jeopardizing your ability to raise money later. That is something new for 2011. Nobody is really aware of that yet.

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Paula Hughes: Several townships have been caught in the different changes that the State Legislature has made in determining what the levy can or can't be. We have another township, Lafayette, which was caught when their levy was capped at an artificially low level and now we are going to help them raise it back up to where they need to be. Tera, do we have copies of this for most of the Trustees.

Tera Klutz: No but I will forward along that with the recommendation when we issue those based upon what the recommendation is. We will forward the DLGF memo that explains how to reduce your cash balance and lower your levy temporarily and the statute.

Paula Hughes: As a comparison, for a General Fund balance as I look at it, when you have your certified budget for 2010 was \$24,000 and a Fund balance of \$65,000, that is equivalent to Allen County's Rainy Day Fund having over \$200,000 in it. We have an annual budget of about eighty and so just something to keep in perspective.

Harold Kleine: Okay.

Paula Hughes: We certainly do not want you to ever get into the spot where you are short of the funds that you need to do what you do every day. We wanted to keep you aware of the changes in the law.

Darren Vogt: Can those funds be used for Township Assistance or not?

Harold Kleine: I don't think so.

Tera Klutz: Not once they are in a fund. They have to remain in a fund. His Township Assistance budget is also three times his budget. Both of those could possibly be reduced for next year without losing your ability to raise Township Assistance if demand would increase.

Darren Vogt: Could that still be done even this year?

Tera Klutz: Not for 2010. This law is effective for 2011 levies. It is for the budgets that we are looking at now.

Darren Vogt: Okay.

Tera Klutz: It is for the budgets that we are looking at now. These are levies in 2011 and these are 2011 budgets.

Darren Vogt: So my question is, could these be adjusted now?

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Tera Klutz: Yes. This recommendation is before they adopt their budget.

Darren Vogt: Right. So we may make some recommendations, or I am going to consider that we make some recommendations that this is not going to hurt them. I don't know what is going to be appropriate but will let them make that decision. We can at least make the recommendation that they look into this. You know how the State Legislature works. This may only be a short-term situation. We need to do it while we can.

Paula Hughes: That is why we brought it up.

Roy Buskirk: We will let Mayor McDonald explain it. New Haven got caught in that situation. That is something that the State went back on their word and took away some of the reserve levy increases years later.

Paula Hughes: Council, are there any other questions for Mr. Kleine? Thank you very much. Next up is the City of Fort Wayne.

Pat Roller: Pat Roller, City Controller.

Valerie Ahr: Valerie Ahr, Deputy Controller.

Paula Hughes: So fill us in on what is going on with the City's budget, what your projections and plans are for the next year.

Pat Roller: The interesting thing about this is always the timing or should I say the mistiming. Last night I had to go to Council with a salary ordinance. We have put forth a proposed budget that is probably a little higher than what we will be submitting to the City Council but we wanted to be sure that we were covering all of the bases. We will not be in excess of the 2.9% growth. We do not have any capital projects, which is fine with me. We don't have any financial issues that we are not able to deal with given the income tax reduction. We planned for a reduction and came in even lower than what I thought it would come in at. We have had to make some adjustments to that and we plan to submit a balanced budget.

Paula Hughes: Council members, are there any questions?

Darren Vogt: So you have no capital projects coming up? How are you considering the building over there?

Pat Roller: That was a 2010 capital project. This is for 2011.

Darren Vogt: So it is already...

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Pat Roller: I think we are done. Hopefully there will be some big developer that wants to come in and do something. I don't see anything today.

Roy Buskirk: In other words, any new or additional capital projects.

Pat Roller: Yes. This only thing, and this is probably a capital project that is small and manageable, we all know that with co-location there is the issue of vehicles for the Police and Sheriff and we are going to have to figure that out. I view that as something very manageable. I don't want to speak for anyone else, I don't like to do that, but how much is a pole barn kind of thing? That is kind of an unresolved issue.

Roy Buskirk: And will that be in 2011 or 2012?

Pat Roller: Quite frankly, for the City, I am hoping that it is next year. We are currently out at St. Mary's in a building that is expensive to run and is just an old building. We need to get people out of there. The City doesn't own that building and we are looking forward to giving that back to the Federal government.

Darren Vogt: Salary raises. What is in your plan?

Pat Roller: We haven't talked about that yet. I haven't talked to City Council about that yet and due to the mistiming of this, I would rather defer that question to later.

Darren Vogt: I guess, what did you put in this budget? This budget had to have either something or none.

Pat Roller: When we submitted this, it was zero.

Darren Vogt: Zero, okay.

Roy Buskirk: So what is the \$1.5 million increase in the General Fund for?

Pat Roller: I know that there are some health insurance issues. What I did last year, because of the pension funds moving down to the State, those pension funds had some extra funds in there. I took a half-million dollars out Police and Fire Pension because those dollars were there. I chose not to do it this year. I believe the Police might have had some funds but didn't have quite as many funds. I didn't take the million dollars out of those pension funds. The rest is probably health insurance and the Public Safety Pension went from seven to eight-and-a-half. Most of it is in the personnel area.

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Larry Brown: Pat, most of your union contracts, are they multiple year so that you know how to plan?

Pat Roller: I don't think so. Most of them are year-to-year. Let me just say, for example, the Plaza Garage. I think that might be a multiple year management contract. I think they are few and far between.

Darren Vogt: Pat, you said most of the million dollars was in staffing?

Pat Roller: It was in personnel which would be that pension that I took out of Fire and Police.

Darren Vogt: Okay. You took it out of Fire and Police and put it in where?

Pat Roller: It would have been in the General Fund.

Darren Vogt: Okay but where are you spending it in the General Fund?

Pat Roller: To pay for Fire and Police pensions. I took it out of the Pre-Acts 77, 1925, 1937 Fire and Police Funds because that liability went down to the State. We used a half-million dollars from each of those funds and put it towards Fire and Police retirees' health insurance.

Darren Vogt: Okay, got it.

Pat Roller: For one year. I knew it wasn't going to be a permanent reduction and I thought it was a good use of funds.

Roy Buskirk: So the retirement moved down to the State.

Paula Hughes: The pension. The responsibility or liability of the pension, Police and Fire pensions, transferred to the State last year.

Pat Roller: And just the Pre-Acts of 77. Anything after 77 stays here.

Roy Buskirk: Oh, okay. I was going to say that you still have it in your budget for Fire and Police pension or retirement.

Pat Roller: Those plans were pay-as-you-go and the Acts of 77 forward are fully funded. The Pre-Acts were not funded.

Paula Hughes: Okay Council members, are there any other questions? Thank you. We are still a little early for New Haven. We are ahead of schedule. Mayor McDonald was waiting for two other members and I would guess that

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he is not going to wander back into this room until he has everyone here. Council, do we want to talk about the budgets that we have reviewed so far and make any recommendations? Maybe we could talk too about what our position should be on these Townships and the majority of Townships have fund balances that are significantly in excess of even one year's backup. I think that we should make some strong recommendations in that area particularly given the legislation change this year that will safeguard their ability to increase the levy at a later date when they need to. Yes, that could change again.

Roy Buskirk: That is part of the problem. They got caught with this before. That's the reason that I said Mayor McDonald could make comments on it because New Haven was one of them that went along with the program and reduced their levy with the fact that they could gain it back in later years and the later years were gone. They changed legislation. I do agree that the excess, when you are talking two-and-a-half times, should be reduced some. I am a little scared to say reduce it down to zero.

Darren Vogt: Can I ask a technical question? If they do reduce it to zero, what does that do to everyone else? That allows them to capture more money, correct?

Roy Buskirk: Correct, yes.

Paula Hughes: It's not necessarily going to reduce the tax impact for the taxpayer.

Darren Vogt: And then the following year...

Roy Buskirk: Whoa, whoa, whoa.

Darren Vogt: Let me finish my question. Then the following year, they go and enact the levy again, what is the fallout?

Tera Klutz: Currently, many of the Townships are located in unincorporated areas of the County and those properties are not at their cap yet. That will not be an issue. A few of the Townships that are incorporated, depending on what other tax units do, it may or may not mean an increase, less of a Circuit Breaker credit lost to some other unit. It is definitely beneficial if a unit does not need to raise the levy because they have cash, it's beneficial for all of the other units. But then again, when the entity needs cash that they normally would have raised every year again, it may have had an impact for the County and other overlapping units in a negative way. That is not to say that other units are paying off debt at the same time and their levies will be

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lowered. There are so many circumstances that can affect every single fund and every single tax unit that it is impossible to say that it is a good or bad thing based upon what other units may collect as a result of this.

Paula Hughes: As a County, we have two bonds that are rolling off after this year.

Tera Klutz: That will help all of the other units. I want to remind you that this is a non-binding recommendation. You have the authority to do what you feel is the best thing and then the Township Board or the Council that you are giving the recommendation to has the ultimate authority to approve their budget.

Darren Vogt: What happened last year with our recommendations and the DLGF? I personally didn't follow through on them because I knew they were non-binding but did we make any recommendations that were contrary to what the taxing unit requested but were upheld by the DLGF?

Tera Klutz: The DLGF has no authority to uphold a non-binding recommendation but they do note it. They look at it and it is public record. The DLGF works with each department or each tax unit much more than the County does. They have many more conversations with them.

Darren Vogt: The excess levy appeal would be the word I was looking for and not necessarily the non-binding recommendation. Did we have any excess levy appeals last year?

Tera Klutz: We do this year, Lafayette Township. It is the same appeal that was filed last year but it was not approved last year because of advertisement problems.

Maye Johnson: Are you trying to determine the weight of our non-binding recommendation?

Darren Vogt: No, no.

Paula Hughes: I think we know what that is.

Darren Vogt: I just want to make sure that taxing units realize that this is out there and they should do it. There is no reason not to do it and that's the point. Don't be afraid because this happened once twenty-five years ago or however long ago it was.

Lisa Blosser: A couple of years ago.

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Darren Vogt: You have the cash, spend it. You can't just continue to hoard the money. I think that is what the State Legislature is trying to say to the Townships with this law that they enacted. Spend the money that you have and we are not going to penalize you now.

Tera Klutz: It may change and it could change again.

Larry Brown: I have a question. Help me with my ignorance. I am looking specifically at the Library's form and I guess the thing that disturbs me is that in their proposed budget they are identifying half a million into a Rainy Day Fund and if they were to hold the 2.9, that Rainy Day Fund would be reduced. It seems to me that the 2.9 is more important than adding to a Rainy Day Fund.

Paula Hughes: They are not proposing adding to the Rainy Day Fund. They are proposing that they are going to use part of the Rainy Day Fund.

Roy Buskirk: They are going to use half a million from the Rainy Day Fund.

Paula Hughes: You are looking at their budget and that is what they are going to spend. The levy is what they are trying to accumulate.

Larry Brown: Ah, ha. You're right.

Paula Hughes: We have a lot of numbers on here.

Darren Vogt: They said that they won't spend it depending on their survey results based on the salaries.

Tera Klutz: If you look at the levy change, the 2010 levy versus the 2011 levy, it shows a 5.3% increase. You will notice that many tax units advertise a little higher than the 2.9% maximum amount that they are allowed by law to raise. A lot of times they don't know which fund they want to raise the maximum levy in or also they want to make sure they can get whatever they can. Even though they know the law says they can only get 2.9% and the DLGF will determine that and cut it off, you will see a lot of people advertising higher than 2.9%. In question number one, they will say that they are not going for more than the 2.9%.

Larry Brown: Thank you.

Roy Buskirk: Part of the problem is the fact that if they do raise their levy rate to 2.9%, it doesn't mean that they are going to receive it because of the property tax caps. It is based upon what some of the other units, if they also

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raise on what percentage of homeowners hit the tax cap. All of these budgets and all of these different levies play into the final rate which determines who hit the cap and who doesn't. It is a guessing game on how much revenue they are going to get from raising the levy.

Paula Hughes: Becky, could you go check and see if New Haven is closer to ready? So for the Library, Wayne Township, Citilink, Airport and City of Fort Wayne, do we have any recommendations to change what they have submitted as an advertised budget?

Darren Vogt: I think that last year we did the standard stay within the growth factor and I think that we continue that at this point in time.

Roy Buskirk: I would second that.

Paula Hughes: I don't think we need it officially yet.

Becky Butler: About three minutes but go ahead and do Grabill if you want.

Larry Brown: Becky, a housekeeping question. Do you know if the sound system is on in here?

Becky Butler: Yes it is. Do you need it louder?

Larry Brown: I could barely hear Tera.

Becky Butler: Let me see what I can do.

Paula Hughes: Wilmer, are you ready to present for Grabill?

Wilmer Delagrance: Cindy is not here yet. It will be ten minutes.

Paula Hughes: Okay. Council, let's take a three minute recess and get some coffee.

Recess.

Paula Hughes: Moving right along, the City of New Haven. Could you introduce yourself for the record please?

Brenda Adams: My name is Brenda Adams and I am Clerk-Treasurer for the City of New Haven.

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Greg Guerrettaz: Greg Guerrettaz, Financial Advisor with Financial Solutions Group.

Terry McDonald: Mayor McDonald, City of New Haven.

Paula Hughes: Thank you. Talk to us about your budget and tell us what is changing and what is new.

Greg Guerrettaz: There really isn't anything exciting. Basically we are holding the line on the expenses in the overall General Fund. I believe that we have a zero percent raise. The key is trying to fund insurance going forward and those types of things. You will see that the Park Bond, at the very bottom and we are responsible for, the full debt service comes into effect in 2011. One might look at our operating balances and the answer there is that we are doing a lot of road repair like you all. In the MVH, we have a five-year capital improvement plan that is spending a great deal on roads. The key is also that the City of New Haven has never had and has not put itself into the position to borrow tax anticipation notes at this point in time, for 2011, and cost the taxpayer more money. We tried to really hold the line on everything this year. Brenda, is there anything to add?

Brenda Adams: The only thing I have to say is that we will not be hiring a new police officer as we planned. One of our firemen will be retiring, at least he said he is going to be retiring, and we won't be replacing him with a full-time fireman. We will be allocating that money to the budget and also to substitute to keep four firemen on the truck this year.

Darren Vogt: Say that again. I was typing and missed that.

Brenda Adams: We are trying to keep four firemen on the trucks. We will have three full-time and a fill-in substitute person.

Darren Vogt: And the policeman was related to that?

Brenda Adams: No. We are just not going to be able to hire another police officer this year.

Paula Hughes: I am trying to understand where the growth is coming from in the levy increase. It shows up as a 13.71% increase.

Greg Guerrettaz: We advertised it high.

Paula Hughes: It is just the advertisement?

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Greg Guerrettaz: Absolutely. With Senate Bill 101 and all of those things that sneak in, I shared with Brenda that sometimes you can have a recertification of the growth factor and I don't trust anybody after doing this for twenty-five years.

Paula Hughes: You and Councilman Buskirk.

Greg Guerrettaz: You and I are in the same boat. We position ourselves under the rules that exist at the time that we are working on the procedures.

Paula Hughes: That is very wise.

Darren Vogt: I want to ask a question about that, I guess. From the taxpayer perspective, do they ever see a real number? The only reason I say that is that you advertise 13% and you said in your letter that it was only going to be 2.9% and so from a taxpayer perspective, do they ever see another advertised set of numbers?

Greg Guerrettaz: We had our public hearing and the Council manages this budget. We give them a maximum levy with the 2.9 that we are projecting and that is what public hearings are for.

Darren Vogt: Let me re-ask the question again. You advertised in the paper, 13.7. Does the public ever see the 2.9?

Greg Guerrettaz: Yes, at the public hearing.

Darren Vogt: So they don't see it advertised anywhere but the public hearing.

Greg Guerrettaz: We do not put a separate ad in.

Darren Vogt: I know there is an expense to it and I understand why so that anytime we are putting these things in, and you are not the only ones, the average citizen if they are looking at this will think that your budget went up 13.7%. If that is all they do is read the paper, I guess that is a concern. I wish there was a way that we didn't have to play the game. I understand why the game is played.

Greg Guerrettaz: Actually, the most misunderstood thing around the State, I travel to a ton of Counties, is that a lot of people were using the County growth factor instead of the Statewide Growth Quotient. That would have been higher. Around a lot of other Counties, the County Growth Quotient is five percent. People use that. The accountability stops at the 1782 when we finally get the budget.

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Roy Buskirk: What this does, and I am not criticizing you for doing it and don't take me the wrong way, is a lot of people think that it is the Council that increases the property taxes whenever they want to. They don't realize that it is really the State that sets what the rate increase max can be.

Greg Guerrettaz: Some of our citizens do because they come to public hearings. They understand it because we articulate it. The very vocal group is actually showing up at public hearings. We have been pretty crowded lately.

Roy Buskirk: So many times, public hearings are not very well attended.

Greg Guerrettaz: You're right. Again, I travel a lot of them and sometimes there is one person but in New Haven, they have had consistency in attendance.

Paula Hughes: That's good. It shows community participation.

Roy Buskirk: Right, right. So many people think that the tax rate increase is all set locally. It is all based on the last six years and everything else. The State sets the maximum levy rate.

Greg Guerrettaz: Roy, the number one issue this year isn't the 2.9%. It is what are you doing on raises? If you are trying to go for a three, four or five percent raise, and there are some that are doing that, this is where the public is getting that. When they see hardship, to a certain degree, that is what they are concerned about. That is where the questions are being asked.

Roy Buskirk: Okay. Your last statement there you said at first that it could have been construed to be raise of the property tax levy but you are talking payroll raises.

Paula Hughes: Council members, are there any further questions?

Darren Vogt: You did say that there were some capital projects? You were looking to relocate a fire station?

Brenda Adams: We are talking about a fire territory and are in the process of doing that. If we do that, we will probably move one of our fire stations.

Paula Hughes: Are you partnering with some of the Townships on that?

Greg Guerrettaz: Absolutely, that is the reason for it.

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Terry McDonald: It helps to clear up some inequity in the funding. It would make it more equal in the Townships.

Paula Hughes: I think that is wise. I spent Saturday doing fire operations training with the Fort Wayne Fire Department and I have some bruises and a little bit of a burn to show for it. It proved the point of the work that the firefighters do and I had a good conversation with them about some of the discrepancies both in coverage and in funding. The way that we are set up right now, we have created some silos in the way that we address fire service. A fire territory is the smart way to go, not just for New Haven but we should begin encouraging that across the board. This is a conversation for the City of Fort Wayne too. There are some real problems in the way responders are sent because of what a legal territory is. That should not be the main issue when you are responding to a fire or emergency of any type.

Greg Guerrettaz: And the real important point again, when you travel, is that I would like to change the name to Fire and EMS territory. That is the one, the EMS that really is suffering. With the delinquencies and those types of things, you have to look at the comprehensive package. It is both of those. I hate the word just fire in there.

Paula Hughes: You're right because anymore our fire departments are as much EMS responders as anything. I just barely understand the different levels of training and am starting to get my briefings on that. I think it is something that we are going to be facing more and more, as a community, particularly as we see these property revenues being cut. I am glad to hear that you are talking about that.

Roy Buskirk: How big of a district are you talking about?

Terry McDonald: All of the City of New Haven, the unincorporated portion of Adams Township, almost half of Jefferson Township and a small piece of Milan Township. There is room to grow but you have to be careful too because if you add another Township, you have expectations on the level of service you will be giving. The Chief has gone through six budgets in trying to get to a point where I was satisfied with the rate for the City of New Haven. It brings it up to as much equity as possible.

Roy Buskirk: Some of that stuff is ridiculous as far as the legal territory. About a year ago I was in South Bend and while I was talking to the people, there was an accident. They had to wait to see where the vehicle landed before knowing which unit to call.

Terry McDonald: It happens across the State on a regular basis.

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Darren Vogt: How will that funding work? Will it go out of yours and be a separate taxing unit?

Greg Guerrettaz: What you do, and I set them up across the State of Indiana, is they will establish their own maximum levy, they have a two-year phase in which I would like to thank the State for allowing that and it would be a separate maximum levy. It would fall under the City of New Haven as the provider unit as it is structured now. You can have a provider unit be a Township but it depends on how you want to do it. In this case, that would be the live example. The provider unit, the entity, would put together the budget, send it to the City of New Haven and then it would go on its merry way. You establish a brand new maximum levy.

Darren Vogt: If the Township had a fire levy, would that go away?

Greg Guerrettaz: Yeah. When you do the filing, the State DLGF makes you do a corresponding, if you had a Township and a City, they would make you make a filing of a reduction in the maximum levy due to that filing. You do those calculations and submit them to the DLGF and they approve or deny.

Darren Vogt: I figured that was how it worked but wanted to know.

Greg Guerrettaz: In some instances, it is revenue neutral.

Larry Brown: Who manages a district?

Greg Guerrettaz: The providing unit is ultimately responsible but the Board of Directors that is put together, in the original agreement, is where the rubber meets the road. The City would be responsible for the financial statements and the overall budget.

Larry Brown: So in your example that may or may not happen, you would have two Township Trustees have representation on this Board?

Paula Hughes: Three with Milan.

Terry McDonald: The way it is currently set up is myself, the Township Trustee of Adams Township, I appoint two City Council members and the Township Trustee appoints one of the Township Advisory members. The Board could be expanded, obviously, to include Jefferson Township. I am not sure that Milan Township has the interest in being a member of the Board since it is such a small portion. It is really the furthest southwest portion and is difficult for Woodburn to get to in a timely manner. It encompasses Georgian Park, a portion of 469 and a little past the Georgian Park area. It is

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on the outside limit of the response time for Woodburn. Woodburn covers most of Milan Township for fire protection.

Paula Hughes: Congratulations for taking on that effort. Council members, are there any further questions? Thank you very much. Enjoy the rest of your day. Next up is Grabill Civil Town.

Wilmer Delagrang: Wilmer Delagrang, President of the Town Council.

Cindy Barhydt: Cindy Barhydt, Clerk-Treasurer.

Paula Hughes: Welcome and talk to us a little bit about what is going on in your budget. You advertised a 2.95% increase which is very close to being in line with the State growth quotient. Talk to us about what is going on out in Grabill and what changes you anticipate.

Cindy Barhydt: There really aren't any changes coming up this year. With the economy and the way things are, we have pretty much kept it the same. Like New Haven, we are not having any salary increases. We have to increase our water and sewer rates.

Darren Vogt: So you are increasing sewer and water rates? What kind of study was done?

Cindy Barhydt: We haven't done a water increase in what, six years? The sewer, with Fort Wayne sewer increases, we have to increase to justify that and stay in the black. It is about 35.6% in sewer and 31 something in water.

Darren Vogt: Do you know that that equates to in dollars?

Wilmer Delagrang: I think it is about ninety-five cents per thousand. A family of two, my wife and I use about 3,800, is about four dollars.

Darren Vogt: The percentage sounds big and that's why I was trying to get it down to the dollar amount.

Wilmer Delagrang: We put the percentage in the paper and got them all riled up.

Darren Vogt: You are passing through the sewer rate that the City is doing.

Wilmer Delagrang: We are passing on what the City is doing to us. We have not increased anything for the town, at least on our end of it, for sewer...

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Darren Vogt: Your water is the same?

Wilmer Delagrangre: No the water is ours. We manufacture our own water. We furnish water for the Town of Harlan and some in the area of Leo.

Paula Hughes: Councilman Buskirk, go ahead.

Roy Buskirk: I was going to ask on the Cum Fire, you have a reduction in that. Is that because you purchased some equipment or something?

Wilmer Delagrangre: Yes, I am not sure what they purchased but they came to us and we gave them part of it.

Roy Buskirk: Okay so with even what you are receiving, it is going to be for the accumulation of additional equipment. You always need to update equipment. The other question that I had then was that some of the savings that you have is being switched to roads and I noticed the Park Board has an increase.

Cindy Barhydt: Yes, they are asking for several different things. They need repairs in the park pavilion and playground equipment. That is the reason for the increase. There was a pavement repair that needs done.

Paula Hughes: I am curious, as I am reading through this but your budget is about two-thirds from 2010 to 2011. You are going down in budget but up in levy request. Beyond the levy, what else funds your fire budget? Is it just existing fund balance?

Cindy Barhydt: Yes.

Roy Buskirk: The percentage looks over five percent and it is increasing about three hundred bucks.

Paula Hughes: Right. Council, are there any further questions? Thank you for appearing before us and enjoy the rest of your day. Just in time is Woodburn Civil City. Please introduce yourself for the record.

Lesa Meadows: Lesa Meadows, Clerk-Treasurer.

Greg Guerrettaz: Greg Guerrettaz, Financial Solutions Group.

Paula Hughes: How many times are you going to be here, Greg?

Greg Guerrettaz: Just two or three.

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Paula Hughes: All right. Let's talk about Woodburn. What is going on with the budget and the Town of Woodburn?

Greg Guerrettaz: This one was definitely advertised high because the Mayor does have some programs that he is trying to work on and get done. I am not going to go over the past history but there were a couple of bumps in the road that we are still trying to dig out of and make sure that we have everything lined up. We also have a huge amount of sewer projects that are going on that causes some dilemma on the roadside. We have to get some road money and every once in a while we have a little issue like that. We know that we are going to be capped at the 2.9% and we advertised high because there was no doubt that if there was any extra money, we needed it. The numbers aren't excessive. The other important point here is that Woodburn is looking at a fire territory. It almost did it last year and they are looking to do it before March 1 coming up. It is trying to get several Townships together. When we looked at this, and we have been helping them with this by putting out a call for service to as many people as we can and then we start paring them back from there. The Mayor is real adamant about looking at fire territory and is also considering consolidation, if possible, with the Township. There has been a lot of that informal discussion going on but there is no formal announcement of any kind yet. He has been working on that for over two years. There are really no surprises in here. Did you get a raise?

Lesa Meadows: No. We are not giving any raises.

Greg Guerrettaz: We can barely afford the Police Chief that we have. We keep everything pretty reasonable and pretty tight.

Roy Buskirk: I appreciate that it sounds like most of the time this idea of fire district is your idea.

Greg Guerrettaz: We work as a team.

Roy Buskirk: It would be structured similarly to what the Southwest Fire District is?

Tera Klutz: It would be like the Northwest Fire Territory.

Roy Buskirk: Oh, okay.

Greg Guerrettaz: Remember, this is a volunteer to start with. The City is assuming the provider role at this point in time. It is a matter that this is an awful small budget to start with and the tax impact, you have to really look at it. We have been going through iteration after iteration of possibilities

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there. They do need a little bit of enhancement in service. If it can occur at this point in time, that would be good. That Fire Chief out there is a great guy, Dennis, and he is looking at all avenues.

Darren Vogt: Your Rainy Day Fund balance is about 35% and you are spending down \$19,000. What are you spending that on?

Greg Guerrettaz: Is that just for emergency?

Lesa Meadows: Yes. We had eight water main breaks in three days.

Roy Buskirk: Have you been out to Woodburn lately?

Lesa Meadows: You can hardly get there.

Greg Guerrettaz: We have been looking at this also across the State. My advice has always been, on the Rainy Day Fund, to not budget it. It is your last dollar, make it a Council action and make it a come to Council type of process. I have several clients that say that what we need to do is at least put a line item in there called "Emergency". We are actually going to call it that in a couple of instances. Believe it or not, there are emergencies that come up. One Town wants to put in "Homeland Emergency" just to have it appropriated and have it available. I think that is smart.

Roy Buskirk: I think what Darren is getting at is that it is almost fifty percent of the budget.

Greg Guerrettaz: We are just saving it up because we know issues can come.

Roy Buskirk: But it is a little high.

Greg Guerrettaz: I don't think so when an emergency happens.

Roy Buskirk: Again, it is the dollar amount. Like you had done earlier, Paula, it would be like us having \$40 million, I guess.

Greg Guerrettaz: Percentages.

Darren Vogt: From my perspective, it is a Rainy Day Fund and not an emergency. I would rather see you move it into a different line and out of the Rainy Day Fund. It is just a different way of looking at it. Rainy Day Fund is the come to Council and here is what you need kind of scenario.

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Greg Guerrettaz: Keep in mind though when you look at the Rainy Day Fund budget or balance, what is the likelihood of us having excess income taxes in the next two to three years? You have a frozen amount there and now you are going to have to sustain longer than you have in the past because you were building over the last three years. I beg to offer that we might be a while before we add to that account again. The only way that it got built was from excess income taxes.

Darren Vogt: So there was no money put aside every year?

Greg Guerrettaz: No sir.

Paula Hughes: Okay. Council, are there any further questions? Thank you very much.

Larry Brown: Darren, another way to look at some of these smaller budgets is an emergency repair in the County budget and the same repair in a City, the same dollar figure but the percentage is hugely different.

Roy Buskirk: If you have a water main break and it is \$10,000, in our case it is nothing.

Paula Hughes: Mr. Arnold, do you want to join us? Are you ready? I know it is a little early. We don't have Hometown, Monroeville or Leo-Cedarville with us. Please introduce yourself for the record.

Bob Arnold: Robert Arnold, Trustee of Washington Township.

Paula Hughes: Talk to us about what is going on in your Township. How have you been faced with Township Assistance?

Bob Arnold: Township Assistance has been increasing dramatically. We normally have two or three people come in and now it is fifteen to twenty. Our expenditures are up so I shifted a fairly large portion of the Township levy into Township Assistance. We had some income into the General Fund that we weren't expecting.

Larry Brown: Are you proposing to use all of your Rainy Day for 2011?

Bob Arnold: I am just allocating it so that it is available. We don't have any specific use for it at this point.

Larry Brown: Okay.

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Bob Arnold: If an emergency arises, it is available.

Paula Hughes: It looks like you are saving up for a fire something in Cum Fire.

Bob Arnold: Yes. Our vehicles are getting some years on them. They intend to refurb one of the pumpers this year.

Roy Buskirk: Do you have a rough idea, off the top of your head, what the pumper cost? Some of this fire equipment is outrageous.

Bob Arnold: Presently we are not anticipating replacing. We are just scraping the rust off and repainting them. They will be redoing some of the cabinets and the pump. The main part, the chassis, would not be replaced. We are in the process of getting estimates right now.

Paula Hughes: One of the things that we have been talking to the Township Trustees about is that you are aware of the changes in State legislation. There is a statute that now allows that if you adjust your max levy down, Tera has a copy for you, for 2011 you are safeguarded to take advantage of cash reserves and you will not be penalized when it is time to raise it back up. That is a change for 2011 going forward.

Bob Arnold: Okay.

Tera Klutz: I wanted to make a note that while we are reviewing these budgets, any fund with the word cumulative in front of it is a different fund than your normally operating levy fund. It is meant to be a savings account and is a fixed rate fund and not tied to a specific levy. What those have been used for in the past, is if you have a Township or somebody who needs to buy a lot of equipment, a big building or a new fire station, instead of charging the taxpayers a large amount in that year, they charge them a steady amount for the previous ten years and then build the fire station without accumulating interest. I know that some of you have seen that and it has a large balance in it but then you look at the fund title and if it has the word cumulative in front of it, that is the way that it is supposed to be.

Larry Brown: Good point.

Paula Hughes: Council, are there any further questions?

Darren Vogt: The Township Board pay. Was it his Township?

Tera Klutz: Yes.

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Bob Arnold: I took it to the Board and to put it nicely, they took it under advisement.

Darren Vogt: If you could refresh my memory and for the public, what is their pay and how many meetings a year and what that situation is.

Bob Arnold: We meet six times a year and it is \$4,500.

Darren Vogt: \$4,500 for six times a year. The other thing I was going to do was an hourly rate but I can't find my calculator. How many hours are the meetings?

Bob Arnold: Two hours.

Darren Vogt: \$4,500 divided by 12 hours.

Paula Hughes: About \$370.

Darren Vogt: \$375 an hour.

Roy Buskirk: Got any openings?

Larry Brown: That would be a really good attorney.

Paula Hughes: Yes it would.

Darren Vogt: Mental note for recommendation, it will be the same again. I appreciate you taking it to the Board for them to advise on.

Bob Arnold: I received a two-page letter from one of them about the outside of the meeting business that they take care of.

Darren Vogt: It is public service.

Tera Klutz: Especially when you compare them to the other Townships.

Bob Arnold: I compiled a list and it was a two-to-one vote.

Darren Vogt: We appreciate you moving forward with that.

Paula Hughes: Thank you very much. Enjoy the rest of your day. Do we know if Huntertown is planning to appear?

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Tera Klutz: We don't know if units are planning on attending or not. You are welcome to just start taking them in order or start making recommendations. If you have any questions about particular budgets, I can try to answer them.

Darren Vogt: My concern is that if we had a timeframe in here and we are not at that timeframe...

Paula Hughes: I know.

Darren Vogt: that is the only thing I would be concerned about.

Paula Hughes: Let's talk about Huntertown. It is 10:30 and that is the time that they were allocated. The unit's response to questions was negative but they are apparently doing the advertising higher to capture every last cent that is available.

Larry Brown: You are looking at Monroeville.

Paula Hughes: Oh, yeah.

Darren Vogt: They are fifteen percent below the max.

Paula Hughes: Sorry about that. Maybe that is why they are not appearing.

Darren Vogt: I would have liked to have had a conversation with them about how they are doing and if they are spending cash balances.

Roy Buskirk: Again, their Rainy Day Fund is no way near excessive. It seems like these smaller towns are having a lot of water main breaks and stuff because of the age of the plumbing.

Darren Vogt: The only thing that I go to is that I would like to understand what their definition of Rainy Day is because I am going to argue and make this point that emergencies happen every year. You are going to have water main breaks, a truck break down and that should be part of your budget. You should have some money set aside for that.

Maye Johnson: I agree.

Darren Vogt: That is not my impression of what Rainy Day is. Rainy Day is for we didn't collect enough tax revenue and that is why we are using it. I would really like to have an understanding of why they took the money out of the Rainy Day Fund.

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Larry Brown: And don't forget that they all have separate utilities. The utility is not part of...

Roy Buskirk: the Rainy Day Fund.

Larry Brown: It is a separate entity.

Roy Buskirk: Different budget.

Darren Vogt: Well, sure.

Larry Brown: But the question comes up, if a water main breaks and wipes out a bunch of street, what fund do you dip in to? The same on a sewer. Does the Utility Fund pay for that or does it come out of Street? It depends on the management of that particular entity.

Roy Buskirk: Placing the pipe and doing the excavating is Utility.

Paula Hughes: Council, I would suggest that perhaps we take a twenty minute break to see if Monroeville and maybe we can make some calls to see if they are coming?

Lisa Blosser: Sure.

Tera Klutz: Leo-Cedarville is going to try to make it by 11:00. She had a prior commitment at 10:00 and so she may or may not be here. She had emailed me last night at about 11:30. If I had to guess, I would guess that she will not be here. I don't expect Kevin Wenger to be here. He wasn't here last year. You could always start reviewing them and if someone wants to come in, we can just go back and talk to them. We have no idea who is going to show up and who is not.

Paula Hughes: Right particularly for the Township Trustees. We presume that Monroeville and Huntertown are not going to appear. Let's start pushing through those budgets. Let's review them. We just talked about Huntertown. Monroeville looks like a conservative budget. They are advertising a 3.8% increase which I will presume that they want to capture the maximum available levy.

Tera Klutz: It's ironic that it was the growth factor last year.

Roy Buskirk: They don't show any Rainy Day Fund.

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Tera Klutz: They have one. Everybody has one. It is just a matter of if they have started a budget and use it.

Paula Hughes: Council, are there any other comments on Monroeville? Do we know if Leo-Cedarville is going to be here?

Tera Klutz: We don't. She is probably not going to come. If she can make it by 11:00, she will try. I can tell you a little bit about that budget because I have had discussions with Pam. Leo-Cedarville had advertised very high in a lot of their maximum levy funds to allow for flexibility of where to break out and allocate their levy this year. You will have a certain amount saved up and your maximum levy is \$100,000. You are allowed to divvy that levy up any way that you want in a particular year. You could give zero to the General Fund. You could give \$50,000 to the MVH and \$50,000 to Park. The next year you could go zero to the Park, \$50,000 to the General Fund and \$50,000 to MVH. You have the flexibility, every year, to allocate that how you want. They are in middle of still trying to determine as a Board. They are going through their hearings and will adopt later on, in October, where they are going to put their levy. They have advertised high to allow for that flexibility. I got an email at 11:30 last night saying that their Town Council or Board had made a resolution to reduce the appropriation in this year's budget in the General Fund and MVH Fund in 2010 so that they could spend some of it next year. That is all I know.

Darren Vogt: Using cash balances?

Tera Klutz: Yes. Basically when you determine how much you are going to need for the following year, you start setting up a statement that says here is your cash balance, this is how much you are planning on spending this year, are you going to spend your whole budget on the remaining 2010 and they are going to lower that amount of what they are going to spend the rest of this year to fund next year.

Darren Vogt: Okay.

Roy Buskirk: When you advertise your budget, you have to show each specific line item increasing to the max or do you just...

Tera Klutz: By fund. You have to advertise by fund but not by line item in the fund. When you see this summary, that is lined up by fund and you will see those funds in the newspaper with the proposed levy, the current year levy and the proposed next year budget.

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Roy Buskirk: So, they have to show an increase in every one of these items on the sheet.

Tera Klutz: Yes.

Roy Buskirk: I understand why you took it as other line items.

Darren Vogt: I am surprised that more people don't call when they see the advertisements.

Tera Klutz: They probably show up to one meeting a year and really they don't. Then they find out that you really aren't raising the budget 38%.

Roy Buskirk: The other thing is how many people read the legal announcements?

Darren Vogt: Right, they are pretty small.

Roy Buskirk: As I mentioned earlier, a couple of year ago I went to the Library's public hearing and there was one other gentleman and me.

Paula Hughes: Council, let's move along and look at Aboite Township. One of the questions that Tera and I discussed is that they don't have a levy request for their Park Fund but they have a fairly significant fund balance. The question that I and Tera have for them is what are you going to do with that leftover Park Funds? They had \$234,000 at the end of June this year. Can they keep that for future maintenance for the park?

Tera Klutz: I am not exactly sure. That was just a general question that I had. What are you plans for the fund balance and is there something that I am not aware of? You put no budget in that fund for 2011.

Roy Buskirk: Does that have to do with the new pool?

Tera Klutz: Aboite Township?

Roy Buskirk: Oh, I'm sorry, I am looking at Adams.

Larry Brown: Is that the fund for the walkway maintenance?

Tera Klutz: This was set up to build that bathroom out there.

Paula Hughes: That's right.

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Tera Klutz: They were here last year to increase the levy to build the bathroom and I am not sure if the timing of payments got off. I just don't know why we have a fund balance with no budget and levy.

Larry Brown: Would that be called Indian Trails?

Tera Klutz: Yes, that is where the restroom is.

Larry Brown: I don't think it is done.

Tera Klutz: It is.

Larry Brown: Are you sure all of the money is spent?

Tera Klutz: I just know that I have used the restroom, sir.

Larry Brown: So it was recently completed.

Tera Klutz: Yes, within the month.

Darren Vogt: Then why wouldn't you budget it for 2011?

Tera Klutz: And that is the question. If she shows up around 11:15, we can ask her.

Paula Hughes: Okay, is there any other discussion on Aboite? Generally her fund balances don't look too far out of whack.

Roy Buskirk: But the one thing is that she is not budgeting any money for that bond.

Paula Hughes: That is the mid-year mark.

Tera Klutz: That is why we have the question.

Roy Buskirk: She has it in her balance to make the payment.

Tera Klutz: Right.

Roy Buskirk: It looks like she has accumulated enough to make the payments.

Paula Hughes: Okay, Adams Township has a significant fund balance that is two-and-a-half times their General Fund budget. That is mid-year, at the end

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of June, and so part of the tax collection has come in and it is appropriate for them to have some balance in there. I think half to eighty percent with the timing of things is appropriate as a percentage of the budget. When you get over 100%, you need to start asking questions.

Tera Klutz: I was able to talk with Mr. Yoh and I emailed him the memo regarding the use of cash balances and he was very intrigued and interested. I think the more contact we can make with these guys after we make the recommendations...

Paula Hughes: I think there can be a blanket recommendation for any Township that has the fund balance situation where they have more than 100% in their fund balance at mid-year. I think that is a great idea.

Larry Brown: For the General Fund?

Paula Hughes: Yes.

Tera Klutz: Let's just call them operating funds.

Paula Hughes: Cedar Creek, if I recall, this is pretty similar to what they did with their budget last year.

Roy Buskirk: He doesn't show the current balances, does he?

Paula Hughes: No.

Darren Vogt: There are no responses to our questions.

Paula Hughes: No.

Darren Vogt: A question on the max levy. I am going to guess that he is going to stay at 2.9% even though he advertised at five percent.

Tera Klutz: He did not file an excess levy appeal and so he will be limited to 2.9%.

Darren Vogt: Has the deadline come and gone for that?

Tera Klutz: Yes.

Darren Vogt: Okay, so never mind.

Paula Hughes: Moving on to Eel River.

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Tera Klutz: She did have a chance to answer the questions and her response was no to all three.

Paula Hughes: The fund balance is closing in on the 100% but the entire budget is only \$19,000. It is not going to have a significant impact for the taxpayer. We could make the note about reducing the levy.

Darren Vogt: I think we should make it consistent with everyone.

Paula Hughes: Right, make everyone aware of the ability to not lose the levy if they reduce it.

Roy Buskirk: They have such a small budget that if a couple of families come in for Township Assistance, it's going to blow the whole thing.

Paula Hughes: In looking at Jackson Township, they haven't advertised for excess levy but they have a change in the General Fund. They are just moving things around. Jefferson Township, their General Fund balance has doubled. Lafayette Township, do we know if he is going to appear since he has filed an excess levy appeal?

Tera Klutz: No, I do not know.

Paula Hughes: We have had conversations about this. This is the Township that had a lot of trouble last year and they got caught with a reduced rate. They were trying to spend down the excess cash and got caught and it has caused them no end of hardship. I personally would be supportive of their appeal. I hope Council would be supportive of that as well.

Tera Klutz: Cal Miller is on their Board.

Paula Hughes: Some conversation that I have had with a couple of the Council members, their budget is one of the small ones. Their total proposed budget and levy is \$41,438. The total gross assessed valuation in Lafayette Township \$303 million.

Tera Klutz: Net assessed value.

Paula Hughes: GM is \$157 million of that. GM will be picking up part of the tab on this. Their increase is actually \$36,000 and GM is going to pay \$18,000 of it. Also, in conversations, we have determined that most of the properties out there are likely not at the tax caps. There aren't any incorporated cities out there.

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Tera Klutz: There is Zanesville but it is very small.

Paula Hughes: Oh, that's right. I forgot about that. Lake Township.

Darren Vogt: No cash balance. There was something about park use.

Larry Brown: Lake Everett.

Roy Buskirk: Yeah, Lake Everett.

Lisa Blosser: That is not where the park is going to be.

Paula Hughes: They are considering forming a park district. They are trying to figure out what they are going to do with it.

Roy Buskirk: It possibly might be because there was some work at Lake Everett in which the Highway Department was involved with helping them out.

Larry Brown: In a very positive way.

Paula Hughes: Moving along, we are now talking about Madison Township. Their overall levy is a decrease of 17.85%. In their General Fund, they have close to 100% or 90%. I think that is on the borderline of a recommendation.

Roy Buskirk: That is the fund amount as of June.

Paula Hughes: Right and so it is appropriate for them to have 50 to 80% probably.

Roy Buskirk: Yeah, there is six months of spending coming out of that, as far as a carryover.

Tera Klutz: And six months of revenue coming in.

Paula Hughes: Right.

Roy Buskirk: Oh, that's true, that's true.

Paula Hughes: And there will be another tax distribution. We already talked about Marion Township. Maumee Township, I don't see anything that jumps out.

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Darren Vogt: I did want to mention one thing. Their response to the capital projects was that they had been successful on some grant money and that is what they are going to use on their capital projects. That was pretty interesting. They don't plan on doing anything unless they get some grants. I just hope they aren't federal dollar grants.

Paula Hughes: Moving along to Milan Township. They have a significant General Fund balance. Again, this is another one that is almost three times the certified budget amount. With their annual budget, their Township Assistance balance is significant as well.

Darren Vogt: All of their balances are.

Paula Hughes: Monroe Township is well funded for both General Fund and Township Assistance in terms of cash balances.

Darren Vogt: They budgeted all of their Rainy Day.

Paula Hughes: That is interesting. They are eliminating their Rainy Day.

Tera Klutz: They may not be eliminating it, they just may be budgeting it. That's a big difference.

Paula Hughes: It might be the philosophical we will budget it just in case.

Tera Klutz: Right, they are not used to getting any throughout the year.

Paula Hughes: This Township Board doesn't meet. Is that what you are saying?

Tera Klutz: Most of our units and mostly the Townships, meet twice a year. They are required to meet twice a year and that is how much they meet. Some of the bigger Townships like Washington and St. Joe will meet more. They are not used to doing additional appropriations, at those meetings, if they do have them. That is why it is just there and available. I am not sure that they are planning on spending it.

Darren Vogt: They also have General Fund money that they can spend as well. What is the purpose of the Rainy Day Fund and that could be a recommendation as well. Help us understand what your Rainy Day Fund is for.

Paula Hughes: Maybe that is a question going forward.

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Tera Klutz: And do they plan on giving any raises and if so, how much?

Roy Buskirk: That is a good idea.

Paula Hughes: Yep, good idea.

Tera Klutz: We will figure out how to fit it all on.

Paula Hughes: Perry Township, are there any comments or questions? Their fund balances are maybe a little excessive but not overly so.

Roy Buskirk: Where do they rank as far as Townships in the County as far as population? I know that they have to be up there.

Larry Brown: Population or AV?

Roy Buskirk: Population because the Trustee and the Township Clerk was close to \$45,000 in pay.

Tera Klutz: That is correct and is a lot higher than anybody else.

Paula Hughes: St. Joe Township and Wayne Township both have higher. Is Perry third or is Aboite third?

Roy Buskirk: Aboite could be.

Paula Hughes: Are there any comments about Perry? Pleasant Township? Scipio Township has a pretty significant cash balance. We should send them a more strongly worded version of our message.

Darren Vogt: I am not sure that it should be worded differently for one. They just need to know that this is now the law.

Paula Hughes: I think there is that but there are certainly some of these Townships that have significant fund balances in the General Fund. Some have two to three times their annual budget.

Darren Vogt: Sure but we can put that all in one message. I don't think we need to make a different one.

Paula Hughes: Let's back up.

Roy Buskirk: Back up?

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Tera Klutz: To Pleasant Township, Mr. Henry is here.

Paula Hughes: We are running ahead of schedule because we had some folks who didn't join us. We just talked about Pleasant Township. Please come up and join us.

Roy Buskirk: I made a note on here to tell you that not a word was said about Pleasant Township.

John Henry: That can be good. Did you have any questions, Council?

Paula Hughes: How do you feel about your budget going forward? You have the right equation or what you submitted seems that you do.

John Henry: Just following the increase percentage should be no problem. One of the things, especially in small Townships, when you handle Poor Relief, it is always unpredictable. It usually has a trend but some years it can spike. Two years ago, I thought I was going to be in big trouble and tried to borrow and I couldn't borrow. I'm glad I didn't because, for some reason, in 2010 it started to go the other way.

Darren Vogt: I was going to ask the Rainy Day question. Council has an idea of what our Rainy Day Fund means to us. What does it mean to you because you are actually putting it in a budget line item that you are going to spend?

John Henry: For my small Township, I may never have created a Rainy Day Fund but was forced to when we started getting excess levies. They had to go Rainy Day. That is when I created it and then I thought when I had a little surplus, at the end of the year, I would put it in there because of never knowing how Poor Relief would go. Larger Townships with fire departments and parks, it is probably more appropriate but it has worked for me to put it there. As far as appropriating it now, it is really just timing. I don't need it now. If I don't appropriate it with my budget and then need it in three or four months, I will have to go with a special appropriation.

Maye Johnson: What do you see using it for?

John Henry: In all likelihood, I probably won't use it.

Roy Buskirk: I think the question is, John, what do you see using it for in the future?

John Henry: If I would have to use it, I would use it for Poor Relief. It would be a supplement.

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Paula Hughes: Are there any other questions, Council members? Thank you for joining us. Let's move past Scipio and Springfield onto St. Joe Township.

Jean Uhrick: Jean Uhrick, Township Clerk.

Richard Uhrick: Richard Uhrick, Trustee of St. Joe Township.

Paula Hughes: We are looking at your responses and one of the things that we have been talking about, and this is not an issue that is necessarily pertinent at this point, but we are going to make all of the Townships aware that there was State legislation that would allow if you are in the situation where your fund balance becomes more than 100% of your annual budget, you can decrease your levy request in any of your levy areas without danger of repercussion for future years. If you spend down that excess cash balance, you can put it back without penalty.

Richard Uhrick: We have been trying to do that, in the past, and that was locked in. We had that in the fire budget one year.

Paula Hughes: The law has changed.

Tera Klutz: This year and previous years, you would lose half.

Jean Uhrick: Yes.

Richard Uhrick: Yes.

Tera Klutz: Starting in 2011, you will lose none.

Jean Uhrick: Unless they change it again.

Lisa Blosser: Exactly.

Richard Uhrick: We would like to reduce our cash balances.

Darren Vogt: This is the year that the law is in place and so you can do it without worrying about anything else. I would assume that the Legislature's intent was to drain down some of those cash balances. I think that is why the Legislature did what they did.

Richard Uhrick: And they should have. We don't want to tax our people but we didn't have any option.

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Jean Uhrick: I have a question and it has to do with the change, like we are 4.74 but it is in the Cum Fire that throws us over. I was always under the impression that Cum Fire was outside of the levy.

Tera Klutz: Cum Fire is outside of the max levy and is a fixed rate fund. That is correct.

Jean Uhrick: Why is it included when they total up the changes?

Tera Klutz: Because taxpayers still have to pay that tax. When the question comes in, is your total levy going to be more than 2.9% of next year's levy that is the effect that will be on the taxpayers. This is an overall picture of what your levy is compared with the year before and that taxpayers will be paying.

Jean Uhrick: Okay because my budget is actually less.

Tera Klutz: The operating budget.

Roy Buskirk: So what you are saying, Tera, is the fact that Cum Fire is not figured into the 2.9%? That can be in excess of the 2.9 when you include that?

Tera Klutz: The Cum Fire Fund is a fixed rate fund. The rate is set by the Board or the Commissioners for our County. Once it is set at a specific rate, it can never be raised again without re-adoption by the Board or County Commissioners. It will adjust to the changes in assessed value every year. Regardless of what they advertise, the rate is calculated on the net assessed value in the tax unit area. So like our own CUM CAP and CUM Major Bridge, those are fixed rate funds. Our max levy, and this may ring a bell, includes our General Fund, Reassessment Fund and Board of Health Fund. That's it. For many Townships, it is the General Fund, Township Assistance Fund and Recreation Fund and they have a separate levy for their fire operation. They can't comingle that. They can't take part of their General Fund and put it in the fire levy. They have two separate maximum levies. One if for fire operations and one is for general operations.

Roy Buskirk: Thank you.

Darren Vogt: I have a question on Rainy Day. I don't see any Rainy Day Fund here at all for you guys.

Jean Uhrick: We haven't budgeted for it.

Darren Vogt: You haven't budgeted but you have a Rainy Day Fund?

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Jean Uhrick: Yes.

Darren Vogt: What is the balance?

Jean Uhrick: Oh, Rainy Day, Rainy Day.

Darren Vogt: If you have a rough idea that is fine. While you are looking, I will ask the question that I have been wondering. Some Townships have actually spent money from the Rainy Day Fund. What do you see yourself spending the Rainy Day money on?

Jean Uhrick: Probably for Township Assistance. I think there is a law specific to where that Rainy Day Fund came from. In our case, I think there is \$110,000 or \$130,000 in the Rainy Day Fund. Maybe \$25,000 came from an excess levy that had to go into the Rainy Day Fund.

Tera Klutz: It was excess COIT.

Jean Uhrick: Yes, excess COIT, and the balance of that had come from excess budget that we left over and according to the law, you can take a certain percentage and put it into the Rainy Day Fund. That is where that came from. It came from the Township Assistance, General and Recreation. It cannot be used for fire unless they have changed that law.

Tera Klutz: They haven't. You could probably find a way to use it for what you needed to when push comes to shove. It is just the Rainy Day Fund.

Darren Vogt: But your main thought for usage would be Township Assistance.

Jean Uhrick: Yes. We don't know, from week to week, just how busy we are. Monday we weren't busy and today they were standing in line.

Roy Buskirk: You can see that if you have \$100,000 to \$130,000 in there, it is not a huge percentage amount if it does increase for some reason.

Paula Hughes: Okay, Council members, are there any further questions? Thank you very much for your time.

Jean Uhrick: You're welcome.

Paula Hughes: I believe that we have the Trustee from Aboite Township with us.

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Roy Buskirk: Where are all of those questions that we had for Aboite? We want to bring them up now.

Paula Hughes: One of the questions that we had popped right out is that we were curious about what is going on with the fund balance in the Park Fund. We noticed that you didn't have anything budgeted for it and wondered if it is a timing thing and you will be using it up through 2010.

Barb Krisher: There is no taxing for the Park Fund because I don't owe anything. I am paying off everything by the end of this year. At this point in time, I don't have a Park Fund and that is why my difference is seven-point something. That was also outside of the levy just like CUM is. I had some monies left over from the previous bond as a result of interest and then I was taxing this year for my last purchase which was the bathroom building. I am using that interest money plus what is coming in and paying off everything. We will not have any Park debt next year.

Darren Vogt: Will you have a balance?

Barb Krisher: I don't know yet.

Roy Buskirk: That will be paid off before the end of the year. That is the balance as of June 30th.

Darren Vogt: So that balance will be zero. That is what I am asking.

Barb Krisher: Yes.

Darren Vogt: That is what I want to make sure of.

Barb Krisher: We won't have money left over, if that is what you are asking.

Tera Klutz: Yes, I think it is. The fund balance is \$234,000 right now. You are going to get another \$25,000 in there for the rest of this year, for revenue. You are budgeted at \$53,000 for the whole year and that is where our question is.

Barb Krisher: According to George Helton, that money will be there and can stay there until we need it for park expenses. We have to wait at least a year to spend it. I did not understand your question and I am sorry. The reason that we are paying it off this year is because there was a balance. We have a balance as a result of interest that accumulated as we were spending down the bond. It really occurred because of a situation where the bond was being paid off on July 1st and January 1st and the DLGF was thinking that it was

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being paid off June 30th and December 30th. That is evidently always a problem. The code says to go with January 1 and July 1 according to the banks. That is what they always push and want you to do. It becomes very cumbersome when you are doing your budgeting. When I got this last loan for \$100,000, the bank said that we were going to do it on this date and I had to argue with them to get them to change the dates. It is just a matter of a day but it is a matter of a different year, as far as money is concerned. You have probably noticed my increase in Township Assistance. All I can tell you is that it is a sign of the times. I think we are all looking at something that is increasing. As of today, I think I have \$3,000 left in my Township Assistance. I have already had an appropriation hearing for the Rainy Day Fund. That will be spent this year and the second half of my COIT money has been applied to Township Assistance for the rest of this year. I see that we may be able to adjust our maximum levy.

Tera Klutz: I don't think any of yours will qualify for that.

Paula Hughes: We are making all of the Township Trustees aware that State law has changed once again regarding the changes to your max levy. They have instituted, in 2011 and going forward, there will not be a penalty. There are some Townships that have a significant cash surplus and have been afraid to reduce their levy and spend that down because they have been penalized in the past for doing that. The law says that now you will not be penalized.

Larry Brown: Are you getting ready to purchase a fire truck?

Barb Krisher: We are getting ready to take possession of one in November. We are going to be selling one at that point in time, I think to Lake Township. We are talking to them about it. We always prefer to do something as close to local as possible. We are buying a tanker and selling our old tanker.

Roy Buskirk: Roughly, do you know what that new tanker is costing?

Barb Krisher: About \$400,000. Tankers can go up to almost \$600,000.

Roy Buskirk: Yeah, you have a million dollars in the account as of June 30th. That was part of the reason for the question. That is quite a large sum and you budgeted another million.

Larry Brown: Have you seen their equipment?

Tera Klutz: It is a cumulative fund.

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Roy Buskirk: Yeah, I know.

Barb Krisher: It is a cumulative fund, like a savings account. Every Township in the State of Indiana, whose Advisory Board permits it, has a cumulative fire fund. It is like a savings account. When you buy large pieces of equipment, you pay cash and you really get a better price. That has been going on since the Legislature passed that in 1993 or 1994. I am not at the ceiling for the Cum Fire rate. I think my rate is nine cents rather than ten cents and it started out at 3.5 cents. We have instituted a long-term plan especially after annexation occurred in Aboite Township. We knew that we would not have the tax base that we had previously had. We do have a sizable amount. I think that if you went through the State of Indiana, you would probably find that most Townships do because in 1993 and 1994, it was a hard fought battle to get that to happen. Townships were spending great amounts of money on equipment and having a lot of debt because of it. We have been told for years that it is very similar to a savings account and we save the taxpayers some money by having that money on hand. I don't have a large Rainy Day Fund like many places do.

Roy Buskirk: Last year you spent \$400,000 on a piece of equipment.

Barb Krisher: I can't remember but I think we did.

Roy Buskirk: In June of '09, you had \$1.4 million and June of this year you have \$1 million in your account. You are going to buy a \$400,000 pumper from that.

Barb Krisher: Tanker, I think we bought the pumper last year.

Roy Buskirk: Right, so that would leave you \$600,000 and you are budgeting a million to go back into that account. It is only used for equipment and not to pay wages or anything else.

Barb Krisher: Cumulative Fire Fund is very restrictive to fire equipment or buildings. Most people don't understand when they see the balances as to why I am using Rainy Day Fund for Township Assistance when I have this fund with all of this money. It is not something that you can use across the board. I think that possibly you could borrow from it on an emergency basis and with the Advisory Board's permission. It would have to be paid back by the end of the year. I don't know if you can go beyond one year for a special circumstance. That may have happened six or seven years ago. I think you would find that the majority of Townships do have cumulative fire funds. There was a point in time where the Townships were heavily in debt because

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of the volunteer fire departments. That was the solution that the Legislature came up with.

Darren Vogt: How has the annexation and current fire area, how is that changing the service that you have to provide now?

Barb Krisher: It has already changed. It changed the day that annexation took place.

Darren Vogt: Right.

Barb Krisher: I don't know that they have gone down very much. My EMS especially has not gone down. It has stayed the same. I am still paying people 24/7. Just because you may be taking care of fewer people does not mean that you cannot have your EMT's available to make runs into the areas that you are still handling. As far as EMS is concerned, actually it has gone up because we have two new nursing homes that have been built since annexation. One is very, very large and the other one is a fairly good size. We are seeing that the EMS runs went down right after annexation but now are going back up. There is no savings, as far as that is concerned. As far as fire is concerned, we are covering less territory but we still have to have equipment. I don't know that you can't have the same amount of equipment. You have to have it. We have two stations. I had originally thought that when we started down the annexation road that we would probably sell our second station. We call it a satellite. It is two bays wide and two bays deep but if you are familiar with the southwest area, the city limits come out 24 and at the intersection of Engle and 24 where we have the large red brick building, we protect that area. We protect Jefferson Place and the doctors' offices in that area. We go on out 24 and protect everything along that side and everything between Casa and Krogers and the apartments behind Krogers. It is not until you get to Manor Woods where the city limits start again. The City annexed residential and not any of the commercial or medical facilities on that side of 24. We have kept that station because it is closer. It is right next to Willows, if you remember the publicity about that. Roy, if you ever want to come out and see, we have four pieces of equipment in that building. One is a pump and one is a tank. We have that in our big building also. If we are needed, on that side of 24, we have something there and ready to go. Darren, did that answer your question?

Darren Vogt: It did. The original thought was to sell it but you can't sell it because you need it.

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Barb Krisher: We really did think that we were going to do that until I sat down and looked at the map and the timeframe between our large station and our small one, as far as response is concerned.

Paula Hughes: Council, are there any further questions? Thank you. Okay, Mr. Yoh.

Brian Yoh: Good morning, Brian Yoh, Adams Township Trustee and with me is Greg Guerrettaz, our financial consultant.

Paula Hughes: One of the things that we have talked to several of the Township Trustees about is some change in State legislation that impacts your ability to change your levy without a penalty. Looking at your General Fund balance, which appears to be about two-and-a-half times what your annual budget is, we would recommend that you consider that. We certainly understand why, up to this point, that you have not done so. Tera, did you give him a copy?

Tera Klutz: Yes, I emailed it to him yesterday.

Brian Yoh: I received that and I appreciate it. Obviously I think that everyone on this Council understands the fiscal crisis that all government has been in. With the downturn in the economy, we have been preparing for the number of people who are going to be economically displaced. Wishing to be as responsible as we could be to our taxpayers as well as those who are going to need our assistance, we have been planning for this over the last couple of years. That is being reflected on our bottom line.

Greg Guerrettaz: A couple of things that make this Township maybe be just a little unique is that, number one, it doesn't have a Rainy Day Fund. Tera, I think we are taking care of looking at is that I found excess income taxes this year that they had recorded in the wrong place.

Tera Klutz: Everybody has to have a Rainy Day Fund.

Greg Guerrettaz: Right and I figured there was an accounting issue there. It is not big bucks but it would be lying within the General Fund. Second of all, there is no Cum Fire. We have been looking at once the fire territory is addressed, we were going to create one but it is needless if the territory is going to get created. Again, my advice all along to Brian and the person I worked with before Brian was that Township Assistance and the perfect storm was coming. I believe that we have already seen that. There is more assistance needed and if we can build that up and keep that solid, then you know the story in the old days that if the Township runs out of money they

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have to borrow. The first place they go is to the County. We don't really want to do that. We have been trying to put together a plan where we don't have to do that.

Paula Hughes: We have been in the situation where we have done that and we are certainly sympathetic to the ebbs and flows of your business. It sounds like you are up to speed and I wanted to congratulate you too on the conversations to create the new fire territory. I think it is a good move and a smart move.

Brian Yoh: It is our responsibility to look at all possibilities. I think, at this particular point, the interlocal agreement that we share with the City of New Haven has worked out very well. The territory certainly makes sense for Townships that currently do not have that relationship. One of the things that I am being very careful considering is the ultimate cost to the taxpayer on the services being delivered. That is something that I think we need to take a very close look at and to be sure, if we do make a decision, we do so at the best cost to the taxpayer.

Greg Guerrettaz: That was one unique point that I didn't bring up. Adams Township and the City of New Haven's current contract is a governing body. That current contract is assessed value based for both Adams and New Haven. Very unique, there are only three or four across the State of Indiana as governing bodies. Given the assessed value base, the inequity is not as large as you would find in other Townships. That is what has made this one more unique. It has actually been a good contract and a good governing body that has been very responsive.

Darren Vogt: So you are saying that the expenses that are associated with this are based off assessed value and not number of units protected?

Brian Yoh: Correct. It is interesting, Darren, but we take a look at that every year just to see the actual runs that are being made, Township versus City. It is interesting that the breakdown, based on assessed value, correlates very well to the number of runs.

Paula Hughes: Okay, Council, are there any further questions?

Roy Buskirk: I have a question. In Cum Building, what was that for?

Brian Yoh: We still do have one fire station that is in our employ.

Darren Vogt: Will that go away or be absorbed by the territory?

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Brian Yoh: That is all part of the details to be worked out if we decide that the fire territory would make financial sense.

Greg Guerrettaz: When you create a fire territory, each unit can decide what assets and what cash it sends.

Darren Vogt: That makes sense.

Paula Hughes: Thank you very much for the time. Troy McDonald, Madison Township, please identify yourself for the record.

Troy McDonald: Troy McDonald, Madison Township Trustee.

Paula Hughes: Looking at your submission, you have made some effort to align your budget and your levy with what you think is best. Do you want to fill us in on anything in particular in your Township?

Troy McDonald: I guess Madison Township is pretty fortunate in comparison to other Townships. I have very little Assistance. I don't know if we are that fortunate or people are prideful. We have an older community and I think a lot of it comes from people being prideful. I know, for a fact, that there are people out there that would qualify. On the other hand, we have people that call and when you go to do the investigation, you pull up and there is a brand new pick up and you look at their financials and they are both working full time. I ask them why they are calling me. That is the hard part when people don't come to you. They know that I am there but we have an older community. You feel bad but they have to come to you. They know that I am available 24/7, that I live in the community and I work in the community. I am going to be real blunt with you but it felt, to me, like you were grilling Barb over their fire department issues. I think the truck that they are replacing is close to twenty years old. If you are familiar with FPA, they don't like your trucks even close to twenty years old. We just replaced a new engine last year to the tune of \$283,000 which is a far cry less than \$400,000. It was what we were able to afford. We did without some things on it. Fortunately we had that engine because the one we bought in 2001 has some mechanical issues. It is in Decatur being worked on right now. Last year we made 285 runs. That's a lot. Nobody gets paid, it is all volunteers.

Paula Hughes: What is the population of your Township?

Troy McDonald: Just in our township, it is like 100 but we also cover a large part of Marion Township and two miles into Adams County. We have a really large territory. We are down this year but the Fire Chief told me yesterday that if we keep on the same pace, it will be about 260 this year. When you

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think about that, it is a lot of runs for a group of volunteers. I don't know if any of you come out to Hoagland, our fire station has been completely remodeled. It went from being one of the worst looking fire stations to one of the nicest ones. That was not done through any loans. That was done through the cumulative fund and the fire and EMS side and private entities that put money towards that also. We invested about \$204,000 into that fire station without any loans being taken out. That is something that our Township can be proud of. As far as the fire truck loan, yeah, we had to borrow money for that. The old truck that we replaced was twenty-ones years old. It went to a little fire department in Twelve Mile. They were tickled to death to have it. I have been on the fire department since I was seventeen. We bought that truck in 1987 or 1988 and it was \$91,000 brand new and equipped. To replace that truck was \$283,000 with very little equipment. We used some of our Cum Fund money to pay that down and we ended up borrowing \$225,000. We went through Grabill Bank with 4.6% interest. That is the first fire truck that Grabill Bank financed.

Maye Johnson: I noticed you don't have a Rainy Day Fund.

Troy McDonald: Yes I do. I just haven't established my books and just didn't put it on my budget. If you look at everything, we did lower our budget from last year by 17.8%. Do you have any other questions?

Roy Buskirk: Troy, I was not giving Barbara a hard time on the equipment issue. It was showing that she would have...

Troy McDonald: I understand.

Roy Buskirk: a million dollars this year which exceeded the \$600,000.

Troy McDonald: Also, you have to remember that the money is there for them to use. It only takes one incident for a truck to break and it can cost thousands and thousands of dollars to fix. Right now we are looking at a repair bill on our truck of over \$10,000. It was something that we had no clue was going wrong. This will take a big chunk out of our Cum Fund but that is why it is there.

Paula Hughes: Thank you for the time this morning. We have not discussed Springfield Township. We don't have any other Trustees this morning?

Darren Vogt: Did we do Scipio?

Paula Hughes: Oh, you're right, we didn't. Looking at Scipio Township, they didn't have a certified budget or they just didn't turn those in.

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Tera Klutz: The 2010 budget was not properly advertised and as a result was not approved by the DLGF. It was kind of like what Pat Lee did and they will have to do an additional appropriation at the beginning of the year.

Paula Hughes: Okay. They have a significant fund balance.

Tera Klutz: Nothing has been paid out of Township Assistance. There has been no activity in that fund.

Paula Hughes: That's interesting.

Tera Klutz: If you are having no activity, I suppose it is okay to reduce.

Paula Hughes: Yes, I would think.

Darren Vogt: I wonder what the population of Scipio Township is.

Roy Buskirk: First of all, it is only half the area. It is only three miles wide and six deep.

Paula Hughes: Okay. Moving on to a discussion of Springfield Township, we normally see Mr. Amstutz, don't we? Overall, a significant change, his levy increase came in General and he can't use that to pay for a fire tanker, can he?

Tera Klutz: Yeah, you can use your General Fund, I believe, for anything except highway expenses.

Paula Hughes: And no bridges.

Roy Buskirk: He is not increasing the General from 2010 to 2011.

Tera Klutz: On the levy is what I think she was looking at.

Paula Hughes: The levy.

Roy Buskirk: Oh.

Tera Klutz: I think the fire equipment debt of \$68,000 is the one that is for the fire tanker.

Paula Hughes: Okay. That makes sense.

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Tera Klutz: It looked like he used some of his levy from Township Assistance for the General Fund.

Paula Hughes: Yes. So maybe that is why he is increasing the General Fund?

Tera Klutz: I bet that if you netted out the reduction in Recreation and Township Assistance, it would probably come up to the \$27,000 that is close to the amount that they are increasing the General Fund. He didn't file an excess levy appeal and he is not going to be with the combination of all of those funds increase it by more than the 2.9%.

Roy Buskirk: So the emergency fire loan must be paying off or something since it is reducing from \$26,000 to \$10,000?

Tera Klutz: Yes, it looks like it. It looks like he is paying that one off and starting a new one.

Paula Hughes: Okay, is there any further conversation on Springfield Township?

Roy Buskirk: With him starting up the fire equipment debt, it is a little misleading in the percentage change column because it shows that there is none.

Tera Klutz: It shows that there is none because it is a calculation that says there wasn't any the year before but it is included in the total on the bottom.

Larry Brown: When did Northeast Fire District...

Tera Klutz: Northwest Fire Territory. You can create territories now.

Larry Brown: Springfield is northeast.

Tera Klutz: Springfield is not in the Northwest Fire Territory. They are not in a fire territory.

Larry Brown: Cedar Canyons, Grabill and Harlan.

Tera Klutz: They do what New Haven is currently doing on the assessed value. Greg Guerrettaz probably just didn't know that.

Larry Brown: Okay.

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Tera Klutz: They get together and they contract interlocal agreements, which is not a territory. They are exploring a territory.

Larry Brown: An interlocal agreement with the Trustees?

Tera Klutz: Yes. That is what they are doing now. Grabill, Cedar Creek and Springfield do used assessed valuation in the same way that Greg said that New Haven and Adams Township does. They have that arrangement now.

Larry Brown: Okay.

Paula Hughes: All right, we have fifteen minutes left. We have to be out by noon. The Sewer Board is meeting here at noon. We have responses to the budget questions from the schools systems, which they are not compelled to go through this process but it looks like they responded. Not Northwest.

Lisa Blosser: Yes.

Paula Hughes: Oh, there it is. I was just looking at the wrong one. They all responded and I am curious what East Allen is doing because they are expecting a levy increase of 7.5% for bus replacement. Fort Wayne Community Schools has the same thing, bus replacement.

Tera Klutz: Those are on a schedule and so that kind of fluctuates. A few years ago, East Allen had zero levy in that fund because all of the buses aren't on the same capital schedule.

Roy Buskirk: They pushed out some of their buses. They were running about a ten-year turnover and I think some of them went to twelve years.

Paula Hughes: Council, do we want to make official recommendations? Do we want to just make the Townships aware of the changes in the State statute which will allow them to change their levy from year to year to burn up cash surpluses without penalty? We can encourage the ones who have better than one-and-a-half of their or actually anyone with over 100%, I think it was either less than 100% or two-and-a-half times, not a lot of middle ground on that. Anyone who fell into the higher realm where they had two to three times their budget, encourage the Board?

Larry Brown: What is the consensus? Is it 100% or 150%?

Darren Vogt: We need to leave that to them because they may have Township Assistance that they are planning on using that for.

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Paula Hughes: If it is General Fund, they can't use it for Township Assistance.

Darren Vogt: I thought they could use it for Township Assistance.

Tera Klutz: I don't think so.

Darren Vogt: That is not the impression I got from somebody that was up here.

Tera Klutz: It is so hard for me to say that you can't spend money from the General Fund. I don't ever, 100%, say that.

Paula Hughes: Okay.

Larry Brown: In making a statement, we are in the same dilemma that the State is. We are categorizing all Townships equal and they aren't.

Maye Johnson: Right.

Darren Vogt: That is why I say making a blanket statement that the cash balances are now available without penalty and just leaving it at that will make sure that they are aware of it. You can do it yet this year and it is not too late to spend that out.

Larry Brown: One specific thing that I would like to see us to recommend is to Washington Township the Advisory Board compensation be reconsidered to be adjusted to be in line with other-like townships.

Paula Hughes: Did we make a set dollar recommendation last year? I don't think we did.

Roy Buskirk: No.

Darren Vogt: Last year we had the dollar amount on all of them but he did the work and showed them what the compensation was compared to the other Townships.

Roy Buskirk: As far as the 100% or 200% or whatever in the General Fund, I think it depends so much on the dollar amount on the size of the Township. If the total budget is \$14,000 and they have an extra \$14,000, they can use that into their Poor Relief. I am sure they can.

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Tera Klutz: They can't transfer it in. I know that for a fact but I don't know if they can't spend it directly out of the General Fund.

Jean Uhrick was shaking her head no.

Roy Buskirk: No? All right, I believe you.

Darren Vogt: But you could zero out the levy, this year, if you thought that you needed it more in Township Assistance.

Paula Hughes: Right.

Darren Vogt: That is for them to decide. We just want to make sure that you are aware of what the deal is and use it to your advantage.

Paula Hughes: Council, we need a motion to adjourn.

Darren Vogt: Move to adjourn.

Bob Armstrong: Second.

Paula Hughes: All in favor please signify by saying aye. Opposed like sign. The motion carries 6-0-1 (Moss absent).

There being no further business the meeting was adjourned at 11:51 a.m.