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**BARTHOLOMEW COUNTY COUNCIL**  
**June 12, 2012**

The Bartholomew County Council met for its regular Meeting on June 12, 2012 at 6:00 p.m. in the County Council Chambers of the Governmental Office Building, 440 Third Street, Columbus, Indiana. Members present were: Evelyn Strietelmeier Pence, President Bill Lentz, Ryan Lauer, Rob Kittle, Chris Ogle and Pro-Tem Jorge Morales. Auditor Barbara J. Hackman and County Council Attorney Rod McGillivray were also in attendance.

Council President Bill Lentz called the meeting to order at 6:00 p.m. and gave the invocation and led the Pledge of Allegiance.

The first item was the approval of the minutes of May 9, 2012. Jorge Morales made a motion to approve the minutes. Evelyn Strietelmeier Pence noted a correction to page 6, line 5. The word “**waiting**” should be “**wait**”. Rob Kittle seconded the motion with the correction. The motion passed unanimously.

Next was the approval of the minutes of May 15, 2012. Evelyn Strietelmeier Pence motioned to approve. Jorge Morales seconded the motion which passed unanimously.

The next items on the agenda were additional appropriations. The first was for the Department of Corrections. Brad Barnes, Director of Court Services and Rob Gaskill, Director of Work Release Residential Services were here to present the information. They had the appropriation for the fiscal year 2012/2013 Community Correction budget

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and salaries. The first item was the base grant dollars of which the majority of this amount is in the 100 series; salaries. There is a small amount of money used to partner with treatment providers to offer services to people on Community Correction placement programs. They have laid out all the positions on their budget Form 1. All the positions referenced as "Probation Officer" on the salary schedule are indicating the fiscal year 2012/2013 salary schedule which is how they traditionally handle this. These would take effect July 1, 2012. All of the other positions are at the same salary they currently are and they will wait for the full budget hearings in August to present any increases for the remaining positions. Jorge Morales asked if these salaries were comparable to the remainder of his staff. Director Barnes stated they were with regards to the other part of Court Services. He stated that it is the same amount of money that they were operating within the current fiscal year. Ryan Lauer questioned line 55 "food". This was in the Project Income, which is a user's fee. He questioned where this food service ended up. Director Barnes stated that the Sheriff's Department provides food for participants in residential and work release. They pay the Sheriff \$1.58 per meal and then any money that is recouped from vendors goes into the Project Income. The \$1.58 amount is paid to the Sheriff monthly as invoiced by the Sheriff. It goes directly into County General. Jorge Morales asked if this is the food that the Commissioners recently passed an ordinance to pay the bill early in order to receive a discount. Auditor Hackman stated that ordinance was for the Sheriff and the Jail but Court Services is benefiting from it. Director Barnes stated that they contract or partner with the Sheriff to provide those

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meals for people that are in the facility at the time meals are served. Some of these people have jobs and are not there during meal time so they obviously don't order a meal.

Director Barnes asked if there were any other questions related to the Project Income. This is the portion of the grant that funds not only the salaries but all of the operational costs of Community Corrections, from pencils and paper to motor vehicle supplies. It is the fund that they are most concerned about as far as long term funding. It is funded by user fees; persons that are on this program are ordered by the Court to pay for the privilege. The collection rate last calendar year was very good. They brought in the most they have ever brought in and yet they just barely broke even. They are concerned that going into the next fiscal year, the funding won't be as healthy. They are a little concerned especially in the area of insurance benefits. They continue to provide the insurance benefits for Community Corrections employees and they budget what they think they will need. However, those employees are entitled to open enrollment once a year and sometimes an employee may go from no insurance to family insurance. About \$340,000 to \$350,000 of their entire budget is just insurance costs. It is a huge burden on their funding stream and they are starting to see some trends that could really tax their bottom dollar when it comes to Project Income. They are working to see if there is additional funding or other ways to increase revenue. The funding is only as good as the numbers and only as good as the collections. Ryan Lauer questioned if they were more concerned with the insurance costs going up or the revenue collection going down. Director Barnes stated that it is both. They are not seeing an increase as what they pay as

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an employer, but what they could see is the number of employees that take advantage of that benefit. Turnover or family situation changes could affect these amounts. Jorge Morales asked who sets the benefit. Director Barnes stated that they follow the County Insurance Policies. They contribute the employers share back to the County. Commissioner Kleinhenz added that it is not because of an insurance increase, but is just not enough revenue to fund the salary and associated benefits. Director Barnes stated that the only insurance costs increase would be the number of people taking advantage of the benefits. Auditor Hackman stated that there is about a \$10,000 difference between the employer portion of the insurance for a single plan versus a family plan. A single plan is about \$5,000 while a family plan is about \$15,000. Director Barnes stated that with regards to the Project Income budget, last year's budget was \$720,000 to \$730,000 and they have cut that budget to \$657,000. They do believe they can trim that to an even lower amount. When they get ready to do the budget for all of the Court Services, they will have a better idea of what can be done to offset the concerns they are seeing. Ryan Lauer asked why the income was going down. Director Barnes stated there has been a reduction in referrals through the court systems. Just last month was 30 to 40 fewer than last year at the same time. Evelyn Strietelmeier Pence asked if they had fewer referrals could they cut down on employees. Director Barnes stated that if they had fewer home based programs, then it would be a potential yes, but within residential it is a 24/7 operation and they are limited as to how much they can trim back.

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Director Barnes proceeded to the CTP fund which is money they receive from the Department of Corrections for those individuals that are returned to the community at the back end of their DOC commitment. They provide \$82,369. That is funding they have to earn but it is money they budget. They currently have a position paid from that funding source including the benefits provided for that individual.

President Lentz asked for any further questions. Hearing none he asked what the Councils wishes were regarding the requests. Evelyn Strietelmeier Pence clarified with Director Barnes that it was the same amount as it was last year. Director Barnes stated it was the same amount at \$1,763,506 and they would ask the Council to appropriate the funds so they can continue operations. President Lentz clarified that this is not County General money, but rather grant money directly from the State. Auditor Hackman also noted that they would have to do a separate motion to amend the salary ordinance in regards to the increase in the probation officer salaries.

Rob Kittle motioned to approve the request for the grant amount of \$1,763,506. Jorge Morales seconded the motion which passed unanimously.

Jorge Morales motioned to amend the salary ordinance to reflect the changes. Chris Ogle seconded the motion. Rob Kittle clarified that the amendment was with the numbers reflected. The motion passed unanimously.

The next additional appropriation was for Protective Services in the Prosecutors Office. Brenda Mijares, Office Manager, presented the request. She stated that it is a 100% reimbursed by FSSA and is for the fiscal year 2012-2013. It is the same amount as

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it was last year. John & Brenda Deffler do the Adult Protective Services for Brown County, Decatur County, Jennings County, Jackson County and Bartholomew County. They assist the disabled in acquiring new placement if needed. It is for \$109,910 and again is completely reimbursed by the State. Rob Kittle was curious as to when the reimbursement would take place. Brenda Mijares stated that it is done monthly. The initials FSSA stand for Family & Social Services Administration. Ryan Lauer asked for the duties of the two part time employees. Brenda Mijares explained that Anita is the data entry part time person with sixteen (16) hours every two (2) weeks. Brenda Deffler is an investigator as is John, but she is only part time.

President Lentz called for any further questions. Hearing none he called for a motion. Chris Ogle motioned to approve the grant at \$109,910 which was seconded by Evelyn Strietelmeier Pence. The motion passed unanimously. There was no change in the salary ordinance so there was no need to approve any changes to it.

The next additional appropriation was for the County Commissioners. Commissioner Chairman Larry Kleinhenz and Commissioner Carl Lienhoop were present. They were here requesting an appropriation from that portion of the CEDIT funds that are held by the Auditor for use by the highway department. They are going to overlay 30 or 31 miles, the most they have done in years. They will also chip and seal another 40 or 45 miles. Chris Ogle asked what allowed us to do the additional 10 miles; was it the extra \$571,000 and/or a good price? Commissioner Lienhoop stated it was a combination of both. They had planned on using the CEDIT money and then the State

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found the extra money. Bids were also very good and figured out to about \$40 a ton. He had looked back at the year in which they did no overlay and in that year the bid was about \$60 a ton. Chris Ogle asked for a list of the 30 miles that will be paved. Commissioner Chairman Kleinhenz stated that the longest stretch paved would probably only be about one (1) to two (2) miles. Evelyn Strietelmeier Pence asked about CR 325 W that she mentioned last time. It is the road along the river in Columbus Township. Commissioner Chairman Kleinhenz stated that County Engineer Danny Hollander is working on a design improvement plan. They are hoping to do this project in house. They are also looking at Old Nashville/Baker Hollow Road and Carr Hill Road. They hope to bid Carr Hill Road in the year 2014 at the same time the City fixes their portion of it. County Road 325 W has been neglected as it needs to be improved. Ryan Lauer had a question about the recent announcement of a round-a-bout at US 31 and 400 S (Southern Crossing). It is a State run project and he is wondering if there will be any costs to the County? Commissioner Chairman Kleinhenz stated that at this time there are no known costs, but any funds would be covered out of the highway budget. Rob Kittle stated that generally the State is required to carry those improvements so far on any adjacent roadway. Ryan Lauer stated that he hopes it is big enough. He would hope that one of the Commissioners would be present at the public input hearing to voice the concern about the size of the round-a-bout. Commissioner Lienhoop stated that if they are designed right, they improve traffic flow and are safer. You can get more vehicles through an intersection with a round-a-bout than with stop lights. Rob Kittle asked

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Auditor Hackman if this motion required a transfer or just an appropriation. Auditor Hackman advised just an appropriation was required.

Rob Kittle motioned to approve the \$571,362.75 appropriation. Chris Ogle seconded the motion which passed unanimously.

Commissioner Chairman Kleinhenz asked Evelyn Strietelmeier Pence what she had thought about the meeting Monday concerning the ambulances. She felt it had been handled well. Commissioner Kleinhenz stated that his hope is that they can continue to work together, hopefully with little or no subsidy. Another item to make the Council aware of is the 911 Center and the funding thereof. It was 65% - 35% split between the City and the County, then it was adjusted to 55% - 45% last year, for any additional funds required. He knows this will be looked into. He asked Ryan Lauer what his thoughts were on it. Ryan felt that it had worked well between the City and the County, but there are good arguments that it is a County function. Obviously, people in the City pay County taxes but how do we get to a point that we don't unduly burden one or the other. He believes everyone involved wants a better ambulance service at lower cost. Commissioner Kleinhenz is concerned that the Legislatures did not completely fix the 911 Center problems. Chris Ogle said we just have to work with what they did give us. Commissioner Chairman Kleinhenz believes they are going to have to come to an agreement on phasing the amounts over as they cannot handle incurring all of it at one time. Ryan Lauer asked if there were any user fees that could be used to offset costs. Commissioner Lienhoop stated it is not fair to charge a fee back to the police or fire as

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they are taxpayer funds also and it is just a moving of funds from one pot to another. Commissioner Lienhoop commented that laws were passed during the last General Assembly regarding both the 911 Centers problems and the smoking issue, yet none of the laws completely fixed either of the issues.

The next item on the agenda was a tax abatement review of George Utz, Inc. Mr. Michael Chiado was present representing George Utz. He stated that the original abatement was done under the premise of a large contract with United States Postal Service which is much of why they made the initial investment. Unfortunately, two things happened; the USPS ran into tremendous budget constraints and their ability to fund additional infrastructure ceased, costing George Utz the contract. Then there was the down turn in the economy which was another problematic situation in the health of their business. However, they have invested \$7,000,000 and will invest another \$1,000,000 this year. The first year they spent \$7,000,000 in capital investment and lost \$2,000,000 in revenue. The business is growing. He has to be honest that it was initially to be a big growth (with the USPS contract) but now it will be incremental pieces of business. They produce returnable packaging; injection molded containers for different industries. They are a worldwide company. They have only this one location in North America and they are committed to continuing their business here. They have 29 employees as of right now. Their annual revenue should be about \$10,000,000 this year. When he (Mr. Chiado) started in 2009 with George Utz, they were under \$1,800,000. Jorge Morales asked when he sees the big growth happening. Mr. Chiado stated that the

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USPS contract required a much more labor intensive product than the direction they are going right now. He estimates that it would have been roughly in the low \$30,000,000 in business and is now at least 5 years out. Evelyn Strietelmeier Pence asked what the average salary is right now. Mr. Chiado stated that it would be probably in the low 40's for the 30% in the front office and the floor workers are roughly in the high 20's to low 30's. There is some general labor, but it is a very small percentage of their work force. Chris Ogle stated that they weren't just hiring off the street, they required college graduates. Mr. Chiado stated that the initial placement has to be to hire the technical people to get that in place. Chris Ogle asked if they have any large quantity production that would require the lower end floor worker. Mr. Chiado stated that yes, they have the container revamped to work for the Ford Motor Company. Rob Kittle verified that this was originally a ten (10) year abatement and that construction was completed on time, it is just the question of the 91 additional employees that turned out to be an actual 12 employees. Mr. Chiado stated that his technicians are actually working on the production line as well, so that they can maintain the corporate staff while the business grows. President Lentz asked about the back of the CF-1 form indicates they added an additional 9 employees. Mr. Chiado stated they had added 12 and retained 9. President Lentz also stated that the salaries figure out to about \$13,000 an employee. Mr. Chiado stated that he was not sure why that number was that low. Jorge Morales stated that the original salary estimate was for an average salary of \$40,000 which is a big discrepancy. Mr. Chiado stated he would have to review the numbers to see what was incorrect. Ryan

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Lauer was comparing the salaries of the retained employees. Mr. Chiado believes the latest form is the most accurate. Ryan Lauer asked if the abatement is on the total \$4,500,000 and is there any idea on what tax amount has been abated. He asked if the plan to get to the 91 additional employees was a ten (10) year plan. He clarified with Mr. Chiado that this was a ten (10) year abatement. It was determined that the original filing of 91 additional employees was targeted for the completion date of the construction. President Lentz asked for clarification on that from Ryan Lauer. Mr. Lauer stated that the original plan was to have the additional ninety-one (91) employees there when the building was completed. Chris West, Real Estate and Tax Billing Administrator in the Auditor's Office, stated that the abatement savings this year were about \$50,764. Ryan Lauer stated that we are looking at \$50,000 in abatement savings each year. It was clarified by Auditor Hackman that the abatement decreases every year. Mr. West stated that this abatement started at 100%, is at 95% this year, and then will continue to 80%, 65%, 50%, 40%, 30%, 20%, 10% and 5% throughout the remaining 8 years. Ryan Lauer asked what year it was in. Mr. West stated it was year two, or 95% abated. Mr. Chiado stated that they have been in the community for about eight (8) years and unfortunately they have not made any money. In fact this may be the first year they break even. They are committed to this location and community and they will continue to invest money. Ryan Lauer asked at what capacity are they running the facility at this time. Mr. Chiado stated that they are running a \$10,000,000 business out of a facility designed and built for \$25,000,000 or \$30,000,000. President Lentz asked if they would have to add to the

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structure to get to 91 employees. Mr. Chiado stated no, they would just need to add some equipment. Evelyn Strietelmeier Pence asked if they had any problem finding employees. Mr. Chiado stated that it had been a little difficult; they had hired people that had to relocate, including himself. Jorge Morales asked where Mr. Chiado thought the business would be next year. Mr. Chiado stated that he anticipated about \$13,000,000 and they would possibly hire another 10 employees. Jorge Morales stated that they would still not be meeting all the requirements. Mr. Chiado stated again that the business had changed course and instead of having one large customer producing \$22,000,000 he had sold to 40 different companies in the past several months. Rob Kittle believes that this Council continues to be business friendly and should show support of this company as they have continued to invest in this community. He believes the Council should have them back next year for review. Jorge Morales stated that he agreed and would also like to see the adjusted business plan. Ryan Lauer stated that he wants to be clear that they want a level playing field for every business in this town. If promises were made and are not being kept, we certainly have the authority to review it. He thinks that we are business friendly, but we have to keep a fair playing field for all companies in this town. He appreciated Mr. Chiado coming forward to address the abatement and his honesty with the Council. President Lentz stated that abatements are good tools, but even with the few the Council does grant he receives questions from constituents as to why they received it and are they following through. Rob Kittle asked County Council Attorney Rod McGillivray if this required any type of motion. Attorney McGillivray stated no.

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Next on the Agenda was the Transfer of E911 funds by Auditor Barbara J Hackman. Auditor Hackman stated that this was a directive from the State due to the legislative changes. The State wants the Counties to establish a new fund. In the past, there were two separate funds known as wireline fund and the wireless fund (531 and 532). There were certain expenditures that you could pay out of certain funds only. It was a nightmare for the Directors and during budget time. The State directive is to place both these fund balances into a new fund called the Statewide 911 and it will be fund number 122. This must be done by July 1<sup>st</sup>. Chris Ogle asked if there were still the restrictions. Auditor Hackman stated that there will be just one fund so you will not have to separate the amounts by their restrictions.

Jorge Morales motioned to move the money from the two separate funds into the new fund as directed by the State. Chris Ogle seconded the motion which passed unanimously.

Returning to the George Utz abatement issue, Attorney McGillivray stated that because the Council had brought in George Utz, Inc. they needed to make a motion stating they were in compliance. Many of the members stated that the company was not in compliance. Attorney McGillivray stated that if they were not in compliance then they needed to notify the taxpayer and then bring them in for a hearing. Attorney McGillivray read the back of the form stating about compliance. Ryan Lauer stated that instruction item 4 stated that they had made reasonable effort to substantially comply with the Statement of Benefits. It was the consensus of the Council that reasonable effort to

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comply had been made. They were brought in by a notice to review the issue of the number of employees hired. Rob Kittle asked if this would then require a motion. Attorney McGillivray said he does not believe so. Rob Kittle stated that they would direct the President to check the “other” box with the specification that the applicant has made reasonable effort to comply with the abatement and that they will be under review again next year. It was suggested to bring them in during the work session next year and then proceed to the Council meeting if needed. President Lentz is fine with checking the appropriate box if that is the wishes of the Council.

The next item on the agenda was the transfer of 2011 CAGIT PTR money. Auditor Hackman had another directive from the Department of Local Government Finance. Originally when we received the money from the State’s error, we were instructed to place it where we normally would. That money was moved to the Rainy Day fund by the Council last month. Now, this directive calls for the placement of the 2011 CAGIT PTR monies into the Levy Excess fund. This amount will affect the following year’s budget as it will be used to offset that year’s funding. This directive is simply telling us to move the 2011 CAGIT PTR portion into the Levy Excess Fund. Auditor Hackman is asking to move the \$100,961.81 from the Rainy Day Fund to the Levy Excess Fund to comply with the directive from the State. The Levy Excess Fund can be used for a shortfall in collections. Chris Ogle asked how much money is currently in the Levy Excess Fund. Sandy Beatty, Chief Deputy Auditor, stated that they had \$125,000 and change. Chris Ogle asked how much was used last year. Auditor

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Hackman stated that usually it is on the budget order when they direct you to use the money to complete the budget.

Rob Kittle motioned to transfer the \$100,961.81 from the Rainy Day Fund to the Levy Excess Fund. Evelyn Strietelmeier Pence seconded the motion. The motion passed with Chris Ogle being the only dissenting vote. It was asked what would be done if the Council did not comply. Auditor Hackman stated that the State could disapprove the County's budget.

President Lentz asked for any public input. There was none.

President Lentz asked for updates of Boards and Commissions. Ryan Lauer, Jorge Morales and President Lentz had nothing to report. Evelyn Strietelmeier Pence stated the Park Board is still working on getting information regarding the shelter roofs. Rob Kittle and Chris Ogle had nothing to report.

Under miscellaneous, President Lentz wanted to discuss the next work session. Auditor Hackman stated there is a lot to be brought before the next Council work session. NACo (National Association of Counties) would like to come and present information regarding the benefits of joining their association. Also, the Commissioners want to discuss a Redevelopment Commission as well as update the Council on the group insurance and WOW Clinic regarding possible increases. Mike Ferree wants to discuss filling a vacant position. Auditor Hackman stated that there had been a presentation regarding the Northern Gateway, which is part of the Comprehensive Plan, for potential Economic Development. That is the list as of today. The Work Session and the Council

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Meeting are back to back on Monday, July 16 and Tuesday, July 17, respectfully, due to the County Fair. Jorge Morales suggested waiting on the NACo portion until August. It is information only and it would be done through the Commissioners. Ryan Lauer suggested putting time limits on the items. Rob Kittle agreed. Jorge Morales asked if Mike Ferree could come at budget time. Auditor Hackman stated that Mr. Ferree asked to come early. The Council consensus was that if he had asked to come, then he needs to be heard. Auditor Hackman asked about bringing the Northern Gateway to the regular meeting instead of the work session. The consensus was that would be fine. Ryan Lauer asked if the presentation could be e-mailed to the Council prior to the meeting. The consensus was for the NACo meeting to occur in August. Auditor Hackman would like permission to contact the President of the Council regarding last minute additions to the work session agenda. The Council consensus was that would be fine.

President Lentz asked for anything else under miscellaneous. Ryan Lauer asked about the 911 fees and the new State law. It goes into effect July 1, 2012. He asked when the first distribution would occur. They anticipate August. His statement was that they would then be able to see where they were last year as compared to this year so they would have a better feeling as to where they will be. Sandy Beatty stated that we would not be seeing any “new” money until sometime next year.

Evelyn Strietelmeier Pence asked if Auditor Hackman had registered her and President Lentz for the State Called County Council meeting. Auditor Hackman stated that she had and if anyone else was interested, please contact her so she can get them

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registered. President Lentz mentioned that while Evelyn Strietelmeier Pence and he would be going to Plainfield, Indiana for a day for their meeting, Councilman Fisher would be attending a conference in Las Vegas, Nevada for the Jurisdictional Training which required a Council Member. Auditor Hackman stated that Councilman Fisher's expenses would all be paid out of grant money.

Chris Ogle motioned to adjourn. Ryan Lauer seconded and motion carried unanimously.

The next County Council meeting is scheduled for Tuesday, July 17, 2012 at 6:00 p.m. in the County Council Chambers.

**BARTHOLOMEW COUNTY COUNCIL**

By: \_\_\_\_\_  
Bill Lentz, President

By: \_\_\_\_\_  
Jorge Morales, Pro-Tem

By: \_\_\_\_\_  
Chris Ogle, Member

By: \_\_\_\_\_  
Rob Kittle, Member

By: \_\_\_\_\_  
Evelyn Strietelmeier Pence, Member

By: \_\_\_\_\_  
Ryan Lauer, Member

By: \_\_\_\_\_  
ABSENT

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Larry Fisher, Member

ATTEST: \_\_\_\_\_  
Barbara J. Hackman, Auditor  
Bartholomew County