

November 12, 2015

BARTHOLOMEW COUNTY COUNCIL
Special Meeting
September 15, 2015

Name:	Representing:	Title:	Present:
Evelyn Strietelmeier Pence	At Large	President	Present
Bill Lentz	At Large	Pro-Tem	Present
Jim Reed	At Large		Present
Chris Ogle	District 1		Present
Laura DeDomenic	District 2		Present
Mark E Gorbett	District 3		Present
Jorge Morales	District 4		Present
Chris Monroe	- -	Attorney	Present
Barb Hackman	Auditor	Secretary	Present

The Bartholomew County Council met for a Special Meeting on September 15, 2015 at 6:00 p.m. in the County Council Chambers of the Governmental Office Building, 440 Third Street, Columbus, Indiana.

President Pence called the meeting to order.

Chris Ogle gave invocation and led the Pledge of Allegiance.

The purpose of this meeting was further discussion regarding the 2016 Budget.

The first discussion was regarding alternatives to new taxes. President Pence stated that those that were against the LOIT had been asked to present alternatives. Laura DeDomenic had a plan to present. She ran for Council because she bought commercial property and watched the taxes increase by 300%. Everyone must work together to get through this budget. It is taxpayer money they are dealing with. It is not the Council money. It is not the Commissioners money. She passed out hard copies of her plan. Page one is the Healthcare Trust Fund. She is proposing to setup reserves by using

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\$1,800,000 from the \$2,600,000 that we had earmarked for the Annex project. Part of the increase was a 10% raise to Dunn and Associates. We need to bid that out to get a better cost. All elected officials should pay 20% of the Cobra fees. We need to make the plan more economical by decreasing features. Over the next year we need to make adjustment to our head count through attrition. All these items will reduce by \$1,000,000.

She has spent days going through line items to see where money could be moved to. She stated the Auditor could move an employee to the endorsement fund for \$25,000. The open IT position is about \$35,000 plus benefits, if the Commissioners would pay some of the IT items from the Telecommunications, the Clerk could move a couple of employees to 4-D or about \$35,000, and the Commissioners pay the \$108,000 for the radios for the Sheriff. The Sheriff asked for \$3,000 more for the work crew. Code Enforcement can be \$3,000 in their Other Personal Services. Move the Drainage Board to the Drain fund for \$11,575. Co-op Extension lower office supplies from \$7,500 and look at the Professional Services. Coroner secretary has not been in there the last few years and we need to possibly share with an existing employee. Prosecutor's office group insurance was about \$150,000 over their 3 year average so make sure it is a real number. The Reassessment has jumped so we need to train employees and reduce consultants. The maintenance open position is \$35,000 plus benefits. She walks into this building and the hall is the coldest room and always has the lights on so reduce 10% of our utilities by about \$55,000 and put off the machinery and equipment for this year. Youth Services is asking about \$92,000 more than previously based on their annual

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report. Move Brad Barnes to a grant fund. They have their own bookkeeper that needs to be done by the Auditor's Office as that is what they do. The Health Department has about \$400,000 one time. That will help this year only. CASA is about \$18,000 higher than their actual amounts over the past 2 years. Gas and Oil needs to be what we actually spend and negotiate long term contracts while the rates are low. Can mechanic and automotive be moved to the highway. Reduce automotive consultant to historical amounts spent. Can we reduce Workmen's Comp and Unemployment to the actual spent. Move to the Redevelopment to CREDIT fund. If we can't give employees raises we should not be giving to Not-For-Profits. We need to have a long term comprehensive plan for all our buildings. Added together that is about \$3,100,000 with adding 3% raises at about \$400,000 for a net adjustment of \$2,700,000 reduction in the 2016 budget leaving about \$724,000 to play with. That is her 2016 plan. Ongoing for the Healthcare Trust, we need to shore it up and put in some reserves. There is \$1,800,000 from employees and \$2,900,000 in department money. That will give us more flexibility with our plan. We need to have an HR policy in place that evaluates whether an employee position needs to be refilled. She talked with a couple of department heads and a central purchasing or a preferred provider could benefit us. Look at every department and get rid of duplicated services. Walgreens are giving free flu shots so why are we giving flu shots. We need to look at the 911 contract and make certain that we are getting everything we can. We need to do a long range plan for buildings including a long range space utilization plan.

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Sheriff Myers appreciated the fact that she had come up with a plan. President Pence asked if anyone had any issues. Auditor Hackman stated that there are several. The Auditor cannot give the \$25,000 out of her fund or that fund would be gone next year. Auditor Hackman stated that she would need some time to look it over the proposal and see what was feasible. Laura DeDomenic stated that it was just a starting point. President Pence stated they have talked about work sharing. She does not know who would put that in place. Chris Ogle stated that on Workmen's Comp, he pays a set amount every year based on the number of employees, salaries and the work that is done. That figure has been verified with Richard Hawes. The history in the spreadsheet does not reflect the correct amounts as we had been paying Workmen's Comp and Unemployment out of CAGIT until the change with the insurance payment. Jorge Morales would like for Barb and Sandy to review this to see what can be done so that we can reflect the changes in the budget. Chief Deputy Beatty stated that we cannot change the CASA as that is a set agreement. Commissioner Flohr stated that replacing the employees' contributions with the CAGIT is already done. Bill Lentz stated that he knows that the Commissioners have some changes. Judge Coriden has some issue with Brad Barnes salary being taken from grants as they have worked with this and worked with this. Keith Sells said they need to challenge the department heads to work with the proposal. Chairman Kleinhenz stated that they have shifted \$200,000 of employee costs from County General to the Highway Fund. The County Mechanic is a County expense and cannot be shifted to the Highway Fund. Also, the automotive expenses cannot be

moved to the Highway. Gas and Oil savings is an arbitrary number. They are trying to change the contract while gas prices are down. They have to have money in case it goes up. They are looking at locking the amount in for 1 year but it can get you both ways. If it goes up, you are good but if it goes down then you lose. He had a question of \$245,000 savings in building improvements. Ms. DeDomenic had just removed that amount from the budget. She had in her notes that most of that was to supplement the salt barn. Chairman Kleinhenz stated that none of it was for the salt barn. Auditor Hackman stated that in the 430 and 440 Commissioner line items, they had taken from the Riverboat for \$185,000. Chairman Kleinhenz stated that shifting expenses does not fix the problem ongoing. Eliminating is different than shifting. Bill Lentz looks at different suppliers for fuel. The Commissioners have done that but about 5 years ago they received some contaminated fuel that cost a lot in auto repairs. Cheapest isn't always the best. Another thought was that we order supplies and fuel with the City to save money. President Pence stated that as far as head count, her thought is to rely on attrition. If a position needs to be filled then the department head needs to present to the Council. That excludes the Sheriff and E911. They have asked their Attorney to add that language to the Salary Ordinance. He stated that it can be added but there is there no legal binding authority associated with it. He knows that the judges can mandate their position be replaced. Certain positions will need to be replaced. You could also lose too many people in one department in which case they would have to replace some of the positions. Jorge Morales suggested that they change the Work Session by one week so every two

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weeks there is a Council meeting or Work Session to help with timing on personnel matters.

Clerk Phelps asked if they were still looking at a retirement incentive. They are not. Clerk Phelps asked if they had to give a blanket raise or could they do performance raises. President Pence believes that is at the department head level to determine. It is not a requirement. One thought that Laura DeDomenic had but did not put in her plan was to hire outside HR assistance. Sheriff Myers stated that unless they have plans in place you will get in big trouble very quickly. There is a pay range for each position. Sheriff Myers stated that evaluations are fine, but you have to be fair and if 2 different people do the evaluation you will have 2 different opinions. It is harder to do performance reviews in government. Lisa Deaton (*in the audience*) asked if there could be a floating pool of employees that could work wherever they were needed. President Pence stated she felt it would be good if they could work out a program to share employees. Auditor Hackman stated that the different software's within the different offices would be an issue. Yes, someone could do actual filing but beyond that would take quite a bit of training. Treasurer O'Connor stated for someone to have the skills to help out in several departments, you would have to pay them for the efforts. There might be some money to do this if you are not paying full-time and benefits to others. Auditor Hackman stated that another problem is that we are service oriented day to day. One day the Auditor might have 15 transfers and the next day you may have 1 or 2. By sending someone from your office, you might suddenly get slammed and need that person back.

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Treasurer O'Connor stated that if she could get rid of mobile home taxes we would be money ahead. She could probably reduce one head count and the Assessor's Office could reduce ½ staff person. We probably don't take in \$100,000. Auditor Hackman stated she could go through a few of the items, except the health insurance. The Auditor has given \$10,000 but she cannot due the \$25,000 as proposed. That change is already accounted for. They could do the IT position. That is currently in the budget and pulling it would also be reductions in the benefits. The \$108,000 is the Telecommunication Fund and is controlled by the Commissioners. There needs to be a discussion as to the Annex Project and whether it is on hold or dead. The Commissioners had a motion and a second but after public discussion the motion was withdrawn. Even if the project is dead there will have to be money for the leases where the departments have been moved. It was asked about the Cummins architect fees. Commissioner Flohr stated that Cummins will not require that we pay the already expended architectural fees. Chairman Kleinhenz stated that they could use the Telecommunication Funds but it is only a one year solution, nothing more. Commissioner Flohr stated that there is no money appropriated currently for the rental. Telecommunications is the franchise fee from the cable company money we receive. It is about \$85,000 per year.

Due to time constraints, the discussion was moved to the Commissioners regarding the health insurance. Chairman Kleinhenz stated they are suggesting the following changes to the health insurance. Commissioner Flohr stated that the Cassman report was recommendations that Dunn has been suggesting. Chairman Kleinhenz stated

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that in row D, it shows what the employee contribution would be if we were at the suggested 20%. Currently a family pays \$130 a month but at the 20% rate a family would pay \$372 a month. Cassman recommended that we be at 20% which is the norm. They requested \$6,150,000 for 2016. In 2015 they had \$5,700,000. They were hoping to stay the same and see money accumulating in the Trust, but actual costs were \$5,600,000. The 2016 budget was based on increases of expenses. They are now requesting to stay at the \$5,700,000 amount. The first column shows the current situation. With the same funding next year, they will have to go to the next column, it will basically double the deductible – a single would go from \$1,000 to \$2,000 and family would go from \$2,500 to \$4,000. Row F and G is what they would go to as far as an employee contribution. A single employee would go from \$43 to \$86 or \$97 per month. Mark Gorbett asked if the money would go directly into the Trust. The employees are going to pay more and that money would go where. Chairman Kleinhenz stated that it would be the same as it is currently; it would go into County General for the Council to decide what to do with any additional money collected. It is hoped that it would go to the Benefit Trust. Laura DeDomenic stated that the \$1,800,000 she had mentioned was to shore up the Trust then we would not need to collect the \$400,000 to rebuild the trust. If we don't have to rebuild the trust then it costs everybody less money. Commissioner Flohr stated that if you pay your scripts on time, then you get a discount. Judge Heimann asked if anyone had checked with an attorney as to whether it is legal to not put employee contributions into the Trust. Auditor Hackman stated they had talked about that and it is okay.

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Chairman Kleinhenz stated that they are also trying to get some lower script costs and additional free visits to the Wellness Clinic. The other options will be available including the minimum requirement to meet the Federal requirements. Bill Lentz doesn't want to hurt the employees but he is hearing deductibles elsewhere of \$5,000 or more. Treasurer O'Connor stated that last week there was a presentation by APEX that could save the County about \$1,000,000 not on the backs of the employees as this plan does. Attorney Monroe has concerns that the contributions of employees can be deposited into County General. It was changed so that the Trust was paid out of the CAGIT money so that they could receive timely and consistent payments. Doing it the other way, they would get timely payments but based on collections so the amount varied. Treasurer O'Connor wanted to hear an answer to her question. Commissioner Flohr stated that the APEX presentation could save \$1,500,000 based on \$150,000 at 1,000 employees. We only have 366 employees so that figures to \$594,000 and they charge a 12% of the savings. That would put their fees at \$562,000 to save us \$594,000. Chairman Kleinhenz stated that they had called the hospitals and they were told that if we go with APEX the hospitals would collect from them and then the hospitals would back bill. Jim Reed stated that they had been told that back billing was illegal. Chairman Kleinhenz stated that they are looking at other tweaks that they can do to reduce the costs. Commissioner Flohr stated that the first third of the APEX presentation was vilifying the hospitals. Jim Reed stated it would be paid at cost plus. Chairman Kleinhenz stated that it is Medicaid cost plus. President Pence asked if we have a requirement for review of the bills.

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Chairman Kleinhenz stated that they have that review and have found some things that should not have been billed. He would love to see the \$1,800,000 reserves in the trust but doesn't think it will happen immediately. There was a question regarding the out-of-pocket column. It is believed that the maximum out of pocket is calculated into it. Chairman Kleinhenz stated that if you double the contribution as well as the deductible, then you will have employees not going to the doctor when they need to in order to save money. They are going forward with these changes. Judge Coriden stated that it appears to be inevitable that we will have higher contributions and out of pocket expenses. What are the Councils thoughts concerning helping the employees paychecks. Chairman Kleinhenz stated that on average, the two changes amounts to 6% to 7% hit to the employees pay. Jorge Morales stated that if they do any LOIT tax, then they need to put some of that money toward employee raises. However, if we use the plan that Laura DeDomenic proposed, we could give the employees raises. Bill Lentz stated that he is advocating less hours with the same pay. Judge Coriden stated that a retirement incentive, it does not save any money because there is not a large pay range. There is a very small range that would not provide savings. Clerk Phelps stated that when he started with the County it was because of the insurance benefits. Now that is gone so why would someone come to work for the County. We will be getting a low grade work force. Sheriff Myers stated that was what former Sheriff Gorbett had done to get raises to keep employees. The statement by the Attorney scares him. Sheriff Myers stated that he had heard something about an audit of all departments. If there are attorney concerns about

where the money has gone and that needs to be solved before they leave the room tonight. Auditor Hackman stated that the County is audited every year. The concern would just be for this year as to how they had handled the insurance. We will switch it back to how it was but then Dunn will not be happy as they will only get what we collect, not a constant fee. Dunn currently is receiving about \$1,300,000 to \$1,500,000 more than what they received last year. Judge Heimann noted that there are several audits going on independent of the State Board of Accounts audit of the Auditor's Office. Mark Gorbett asked if we could get the attorney's recommendation on this and go with that. Auditor Hackman stated that they can switch it to the old way now. Treasurer O'Connor asked if the Health Trust is audited every year and if it is can she see a copy of it. It was determined that the consultant had recommended we do that. It would cost about \$20,000 for a full audit or about \$3,000 to \$5,000 for a spot check audit that would turn into a full audit if irregularities are found. An audit would protect everybody. Treasurer O'Connor stated that the insurance costs have increased drastically in the past few years without a good explanation. And then the TPA wants a 10% increase for their work while her employees would love a 10% raise. Many conversations were ongoing making it impossible to hear the floor discussion.

-- BREAK --

Long term planning was discussed. Mark Gorbett stated that we need to look long term because at some point the Commissioners are going to take their CEDIT money back. Auditor Hackman stated that under the Code Enforcement they lowered

where they pay board member meetings. As to the drain fund, she stated that is a varying amount of collections. The Co-op Extension is where the educators are paid from so lowering it would take away pay. The Coroner is just split out but it was in another line item last year. This is an existing employee. The secretary does the reports for the autopsy's that are turned into the State. The 4-D was for medical and they can look at it. Whatever is paid out of it is reimbursed by the State. The next one was the Reassessment. Ms. DeDomenic asked about training our employees and then reducing the contractual labor. It was explained to her that the employees do not have the proper skill set to do the tasks and that is why they have the contract employees. The last employee that was hired has previous assessing experience. The Assessor now has the burden of proof for his assessment when an appeal is filed. To move an employee to the Reassessment Fund, that employee must be working on Reassessment. The Maintenance open position was removed. The utilities were left at the request amount. Jorge Morales stated that he has a problem with the utilities. He knows that Cummins pre-purchased natural gas in order to get a better price. They will check on the cost of the utilities at the old Annex building. Judge Heimann stated that an energy audit might be a great thing. He has heard that it is cheaper to leave fluorescent lights on rather than turning them on and off but he doesn't know what that time frame is. There was an energy audit done 20 years ago that resulted in all new lightbulbs. Machinery and Equipment was reduced by 10. The Youth Services Center was due to Director Brad Barnes salary having been moved around. He did present a grant at Monday's Commissioner meeting but he wants

to make sure it will pay for everything including the benefits. Most departments have a bookkeeper. Ms. DeDomenic stated that maybe we need to look at centralizing it next year. Judge Heimann stated that when they opened, they had 3 titled positions which included the bookkeeper. Since then they now have an Administrator and a bookkeeper. The remaining difference could be their relief workers. Ms. DeDomenic stated that Mr. Eggermann stated the Health Fund had a one-time \$400,000 amount that we could use to reduce ours. There were questions as to how this would be done. The CASA amount is the Commissioners. Judge Heimann stated that the increase last year was due to the fact that they are in 4 or 5 surrounding Counties. By having their amounts raised, they receive more from the State via matches. The gas and oil is being negotiated. Do they want to reduce it? The Commissioners noted that they had given them \$1,400,000 and he said that if they were to get more cuts they would have to take some of the funds back to cover their expenses. Treasurer O'Connor stated that they are building a salt barn without an analysis. Mark Gorbett stated that the building improvement fund is not the salt barn but rather the items at the Court House and other buildings. He is not willing to cut them off at the knees. They have moved \$185,000 from the 04-30 and 04-40 to the Riverboat. They are tearing down the old Annex with money from leftover CEDIT and Telecommunication. That leaves them \$105,000 in their County General line item. They are not really building improvement but building maintenance. Maintenance incurs some of the costs while larger items or unforeseen items are covered by the Commissioners. Dalene Pattingale asked what they had decided about the work crew. Auditor Hackman

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stated it was \$3,000 and they did not remove it. President Pence stated that the Parks Department is providing the work crew a mower.

Bill Lentz wanted to discuss the healthcare issue. Mark Gorbett stated that he thinks that they leave it at the \$5,700,000.

They discussed Workmen's Comp. That money needs to be in there. It is based on salaries and other factors by the insurance company. There are different rates based on the salaries and what the job duties are.

Jim Reed asked what the total number was Laura DeDomenic was proposing to give the insurance. She is suggesting \$4,700,000. Bill Lentz stated that after talking with 2 of the Commissioners in the hallway and they said for the Council to give us them a number. Auditor Hackman stated that they are going to be looking other options regarding dental and other items. They will be working with the Hospital. They are also considering a higher re-insurance figure. Bill Lentz stated that if we keep it at \$5,700,000 then it is status quo. They are going to look at options along with increasing the employee contribution and deductible with hopes to have a growing balance in the Trust. Mark Gorbett likes the idea to shore up the Trust but he does not feel comfortable reducing the \$5,700,000 because he believes they will be back with a need for money from somewhere else. Jorge Morales asked what was advertised. It was \$5,700,000. Mark Gorbett suggests leaving that number alone and then deal with it later. It looks like we may have closer to \$1,400,000 at the end of the year. He believes part of that should go into the Trust. Laura DeDomenic stated that if we put money in it will help all of the

employees. Cassman recommended \$1,800,000 and Dunn is recommending \$1,200,000. Mark Gorbett stated that we did not have the \$2,000,000 six months ago because it was tied up in the Annex. Judge Heimann stated that Mr. Cassman had stated it was extremely important to have a good balance to lower your re-insurance costs. He also stated to design the plan to have preventative care to catch high ticket items early rather than late. Auditor Hackman stated that there were changes to the preventative for this year. Chris Ogle thinks they are trying their best to cut our costs. Part of our problem from the get go has been that they have tried to keep the cost to the employee down. Jorge Morales stated that they have been trying to keep the costs down but not looking at the bigger picture to what is in the plan and paid out. Auditor Hackman stated that they are having Cathy Dunn and Greg Fox work on the plan. Jim Reed stated that they don't agree with APEX. Auditor Hackman stated that they don't agree with a method of here is what we will pay, take it or leave it. Hospitals are charging higher amounts in order to offset costs from Medicare or other plans. The Commissioners don't like that the employees will continue to get continuing bills. President Pence has contacted 7 Counties that use APEX and she said there were no complaints. Auditor Hackman stated that ultimately it is not the Council; it is the Commissioners to make the choice. The Commissioners and their Attorney are not happy with concept of their procedures. Mark Gorbett was looking at the categories they have. He said if we stay at \$5,700,000 then they could have \$500,000 after a year as a reserve. The Council took a consensus as to the amount for the insurance. Laura DeDomenic does not believe they are exploring

alternatives. Nobody is doing any analysis on the plan regarding a different plan. We are covered for travel to foreign countries. If we stay where we are in 2018 we will have to pay a Cadillac tax. Jorge Morales agrees but it is the Commissioners plan. Bill Lentz is thinking \$4,700,000. Jim Reed will go with \$4,700,000. Laura DeDomenic will go with \$4,700,000. The consensus was for \$4,700,000. Auditor Hackman asked if that includes additional employee contributions. Attorney Monroe stated they need to know if the employee contributions are going into that figure. Laura DeDomenic stated that we need to take the employee contributions of \$1,800,000 and \$2,900,000 from CAGIT. They will also get all the additional from the employees' contributions with the increase in the new plan. Mark Gorbett stated that if they told him as Sheriff he could buy a car. He finds one for \$25,000 but Council says yes buy the car but for \$15,000. Auditor Hackman stated that the Commissioners had hoped for \$5,700,000, \$5,300,000 or \$4,700,000. Chris Ogle stated that those plans did not include a one-time shore up of the Trust account. There was a consensus taken to give the Commissioners \$1,200,000 to shore up the health fund and then give them \$4,700,000. Auditor Hackman asked for a motion to move the \$2,000,000 back to the Rainy Day. Jim Reed stated that we need to make a motion that the Annex Project is dead.

Jim Reed made a motion that the Annex Building is dead. Laura DeDomenic seconded the motion. Attorney Monroe they change the language of the motion. Laura DeDomenic withdrew her second and Jim Reed withdrew his motion.

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Jim Reed made a motion to withdraw the funding for the Annex Building Project and put the \$2,000,000 in the Annex Fund back into the Rainy Day Fund. Laura DeDomenic seconded the motion which passed unanimously. Auditor Hackman clarified the motion.

It was then a recommendation by Treasurer O'Connor that we set up a separate fund within the County and that way we could control it. It will still be in the investment for the County. Laura DeDomenic asked if the Council had to have a motion to setup the account. It was noted that it may have to be in the health trust in order for it to be counted as reserves and improve our costs. They need more information to determine how it has to be done. Mark Gorbett wanted to clarify one item. With the changes that could be done from Laura DeDomenic's proposal, they were able to save another \$371,000. The Auditor's Office needs some time to review all these changes. They still need revenue. If you don't pass the LOIT Public Safety Tax now, it is done on a quarterly basis so you would have time. John Clark wanted to clarify the amount of shortfall. It is roughly \$750,000 based on proposed changes. Jorge Morales verified that the consensus had been taken for \$4,700,000. Auditor Hackman clarified stated that they are kind of going back to what we had done years before in using CAGIT money. The \$3,100,000 will go back into County General to pay. They will gain some money by the increase to the employees. We are asking the Commissioners to work with us. President Pence asked if they had all received the letter on TIF. She thinks they need to pursue through their Senators and Representatives as it is hurting our assessed value.

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Hearing no other business, Jorge Morales made a motion to adjourn. Chris Ogle seconded the motion which passed unanimously.

BARTHOLOMEW COUNTY COUNCIL

By: _____
Evelyn Strietelmeier Pence, President

By: _____
Bill Lentz, Pro-Tem

By: _____
Chris Ogle, Member

By: _____
Laura DeDomenic, Member

By: _____
Jorge Morales, Member

By: _____
Mark E. Gorbett, Member

By: _____
Jim Reed, Member

ATTEST: _____
Barbara J. Hackman, Auditor
Bartholomew County