

November 12, 2015

BARTHOLOMEW COUNTY COUNCIL
August 18, 2015
2016 Budget Hearings

The Bartholomew County Council met on August 18, 2015 at 8:30 a.m. in the County Council Chambers of the Governmental Office Building, 440 Third Street, Columbus, Indiana for the 2015 Budget Hearings. Members present were: Chris Ogle, Laura DeDomenic, Pro-Tem Bill Lentz, President Evelyn Pence, Jorge Morales, Mark Gorbett and Jim Reed. Also in attendance was Auditor Barbara J Hackman.

Bill Lentz led the Pledge of Allegiance and gave the invocation.

The first department on the agenda was the **Treasurer's Office (001-03)** as presented by Treasurer Pia O'Connor. She had one change, moving \$1,000 to Other Services & Charges from Machinery & Equipment. She stated that her office has reduced its budget since she became treasurer. She does not need a raise for herself but her employees definitely deserve raises, even if it comes from her pay. She stated that she can now net banking fees. The bank will charge us \$800 for ACH and other benefits, which she can net the fees against the income. She has worked to get the best interest rate she can. She currently is receiving 3%. Trust Indiana is at .4%. The interest earned is about \$130,000 and goes to the General Fund. Jorge Morales asked how the electronic tax payments are working. Treasurer O'Connor stated it is working well. She does not have the volume of people requesting their bills on line as she had hoped she would. They have increasing amounts of people that want to pay electronically and having the e-check option for \$0.95. They do not take credit cards at the office. President Pence

November 12, 2015

asked if she had anyone in her office during low times to help other offices such as the Jail and the Veteran's Office. Treasurer O'Connor stated she wasn't sending any of her people to the Jail. If they want to talk about job sharing then we need to have the discussion. There is new legislation regarding internal controls. She would be interested in a Six Sigma discussion. Those are the discussions that need to take place. It also becomes a training issue as to getting the proper training for everyone. Bill Lentz asked what her recommendation was for predicament that we are in. Treasurer O'Connor stated that we need to look at head count. She does not like to have less than 2 people in her office during a day. Mark Gorbett noted that the Sheriff's Department is seeing his Reserve force dwindle and will continue to see it decline. Treasurer O'Connor would like to see a Reserve Deputy in her office during the busy times. Head count can be reduced through attrition.

The next office on the agenda was the **Clerk's Office (001-01)** as presented by Clerk Jay Phelps and Chief Deputy Julie Robertson. Clerk Phelps has a part-time employee that can be paid out of the Perpetuation Fund. The Perpetuation Fund is based on Court Fees. The fund receives \$5 for every case that is filed. There is currently over \$200,000 in the fund now. He can move one of his part-time employees to this fund and save the County General money. In his 001-01 budget, he has zeroed out the Legal Fees of \$200. He reduced his Machinery & Equipment to \$3,500 from \$7,200.

Clerk Phelps moved on to the **Voter Registration (001-22)** fund. He stated that they are going into a Presidential Election Year which means the most expensive election. The biggest expenditure is postage due to overseas voters and other mailings.

Clerk Phelps moved on to the **Election Budget (008)**. They had 225 poll workers under the old system where now they will have a maximum of 140 with the Vote Centers. The longer we work with Vote Centers and the less advertising we have to do, the costs will be down. MicroVote has stated that with all the ballots being on all the machines, it would be easier for his staff to program the machines. This was done with 2 people at \$15,000 each. He has been able to move this money over to the postage fund. The last election was one of the most laid back elections he has been through. With Vote Centers, he feels they will eventually be able to give back one full-time employee. Jim Reed noted the Communications & Transport and the Advertising were the major increases. Clerk Phelps stated that the increases were for mileage. Last time, they rented a Penske Truck to deliver the machines and set up each location. The truck provided adequate space for all the machines. Another significant cost is the State required mailing that will have to be done at least one more time discussing the new Vote Center process. It amounts to 52,000 pieces of mail for each mailing. Advertising went up \$17,000. The Election Board came up with an aggressive ad campaign that relies heavily on radio ads as well as some newspaper. They ran advertisements through social media on Facebook. They used yard signs. Those should not need to be repurchased. They also did a commercial through Comcast Spotlight. It only costs \$3-\$4 to advertise on cable, but the

November 12, 2015

cost is in the production of the ad. That same video was placed on the website as well. Legal Ads are costly as they have to publish every single candidate. Ballot proofing is done by the vendor, it is verified by the Clerk's office, but the vendor puts it together. Envelopes are the other expense. Jorge Morales asked about the letter he had sent the Council regarding his office. Clerk Phelps stated that he wants to restructure the office, not add a position. The Chief Deputy's job description has items that are no longer done by that position. Everything was going well last year until it was determined that some individuals had duplicated 3 checks. The Chief Deputy is just doing so much. He talked with other offices throughout the state. Some offices don't have a Chief Deputy, some do. Some have an Office Manager, some don't. He noted that Page 5 of his handout shows that the bookkeeper portion is becoming overwhelming. They feel they are putting out too much quantity and not enough quality. This concept just dawned on him this month. He would like to create an Office Manager position. He would like to move a Second Deputy position to a Chief Deputy position. This would be Dustin Renner who has a degree in finance. He would move 2nd Deputy Mary Ellen Grossman from Clerk's Office to Voter Registration. He would then move Julie Robertson from Chief Deputy to Office Manager. Using Malcon, they have found ways to receive more Federal Funds. Malcon is a group that is used by the Clerk and the Auditor to help retrieve Federal Funds. He could pay for 75% of this created position through these Federal Funds. The overall increase would be \$4,443.87, but utilizing the Federal Funds actually reduces the County General amount by \$23,771.28. These numbers are based on 2015 figures. Mark

Gorbett stated that if no more money went to that fund as of today, he would have enough to fund the position for 4 to 5 years. Clerk Phelps stated that was correct. He would like to have this change occur for this year and then going forward as he would like to have Dustin working on the year-end financials. Judge Heimann is looking at changing software systems by the spring of next year. Auditor Hackman stated that she is aware Jay wants to do this, they can make that decision today or anytime during the deliberation. It would require a motion and vote. Mark Gorbett asked why Social Security went down \$6,000 in Voter's. It was explained that it was being moved to Perpetuation which showed the increase. Clerk Phelps will produce a new budget for the Auditor so the changes can be reflected.

Clerk Phelps moved onto the **Clerk IV-D Incentive Fund (682)**. He stated that whenever there is more serious issues, the Federal Government wants to ensure that no child will go homeless or be put in a dangerous situation. The 2 positions in Child Support are partially funded by Federal Funds. Mark Gorbett asked if there was going to be any reduction in the Miscellaneous Revenue funds. Auditor Hackman stated yes. Bill Lentz asked about the balance of the Election fund. Last year they reduced the tax rate to \$0 so that there was no collection of property taxes toward election. It will be \$288,000 at the end of this year as determined by Financial Consultant Dan Eggermann. Clerk Phelps would like to know how he arrived at those figures as he estimated about \$500,000. He wants the Council to keep in mind that he plans on eliminating one position down the road that will result in a savings of \$33,000 per year.

November 12, 2015

The next office on the agenda was the **Recorder (001-04)** as presented by County Recorder Anita Hole and Chief Deputy Kim Miller. Recorder Hole stated that her budget is fairly simple. She does have 3 contract employees that she is paying out of her Perpetuation Fund. Bill Lentz asked if she had any suggestions as far as cuts or any other ideas. Mark Gorbett stated that the Healthcare is a major issue. He is uncertain that we can even finance current employees at the present levels. Recorder Hole, stated that possibly cutting hours. Mark Gorbett stated that it would be great to cut the hours and keep the pay the same, but we don't have the funds available. Recorder Hole asked if we have looked into going with other Counties for insurance. She stated that Brown County has an option to continue to pay into insurance after they retire, but she wonders how they can do that when we have the issues with insurance that we are having. Bill Lentz asked if we should change our policy to allow personnel to take time off without pay. Auditor Hackman stated that can be done now by the office holders. It would not be reflected in the budget. Auditor Hackman stated that a lot of employees can't afford to take a pay cut as they are living pay check to pay check. Auditor Hackman stated that it would require the Commissioners as they are in charge of the hours. Laura DeDomenic stated that we need to keep renting the space for the Annex Building and stop the new Annex Building.

- - BREAK - -

The next office on the agenda was the **Health Department (007)** as presented by Director Collis Mayfield, Assistant Director of Nursing Amanda Organist and Assistant

November 12, 2015

Director of Environmental Health Link Fulp. Director Mayfield started with the Health Budget. In this budget, they have reduced by several thousand dollars the request (*leaving out salaries*) from last year. He has asked for an increase in salaries as recommended plus a bump for the Link's position. This increase would change the 2 Assistant Director positions to Director positions and raise the one position \$2,000 so they are equal in pay. Bill Lentz asked if they had always been this way. Director Mayfield stated no. When they hired Carla Wolff they had increased it to hire her and then the percentage differences have kept widening the gap throughout the years. Chris Ogle asked about the housing and pool coordinator. Assistant Director Fulp stated they review complaints on landlords and public and semi-public pools. They have a summer intern that covers weekly pool inspections during the time frame between Memorial Day and Labor Day. Mark Gorbett asked about the part-time dropping out. Chief Deputy Sandy Beatty explained that on the screen shows the correct breakout of part-time. The sheets in their books do not reflect those changes. Their insurance has also decreased as they are doing a more "actual" than an "estimated" amount. President Pence asked what Other Personal Services covers. Director Mayfield stated it is for pay for the Board of Health members as required by law. There is an increase in operating supplies and that is based on fuel cost increases. They are going to be close this year and wanted to have enough in there for next year. President Pence asked if the newer vehicles are higher mileage. Assistant Director Fulp stated yes, but they can no longer purchase the smaller sized trucks as they are no longer being made. President Pence asked about the wearing

November 12, 2015

apparel. She would think badges would be cheaper than actual clothing. Director Mayfield does not want to get confused with police officers if they go to badges. Laura DeDomenic stated that going with a nice photo badge might be a solution. This could be a place to cut some of the 10% they need to cut. Director Mayfield stated they could look into that. Chris Ogle stated that anyone can get the shirts with the logo. Mark Gorbett stated that the County doesn't have any money. Group Insurance has crippled us. He wants to know what their thoughts are to help cut. Director Mayfield stated that if 10% needs to be cut, then he would like to have the opportunity to cut the 10% where he knows that he can take the cut. Mark Gorbett stated that they are looking further out than just one year. Director Mayfield again stated that he would like to make whatever cuts are required as he can better determine what he can do without. It was stated that our Health Insurance costs are not going to get cheaper as 87% of our employees are considered high risk as compared to the national average of 40%. Bill Lentz asked about the unemployment compensation. Director Mayfield stated that is a budget item and they did have to pay out last year. President Pence asked if they could send a nurse to the Youth Services Center. Director Mayfield stated that it would be difficult to arrange and would depend on what their requirements are. There were discussions regarding the Dental Hygienist and the dental at the Youth Services Center. Jorge Morales asked if they have any programs that could be eliminated. Director Mayfield stated that the programs they do are State Regulated or by County Ordinance. Chris Ogle asked if they took their budget to 0, how that would affect County General. Auditor Hackman stated

November 12, 2015

that reducing their rate would allow the increase in the County General rate. Mark Gorbett stated that they either have to raise revenue or cut services. Laura DeDomenic stated that we had expanded to assisting people from outside of the County. There is not that much of that, though we are the only regional site for HIV testing. Assistant Director Organist stated that other than the HIV testing, it is basically County Residents. Director Mayfield stated that he has requested fee increases. They have been turned down in the past as those requests have to go through the Commissioners. They do bring in a lot of money, but not enough to run the programs. President Pence asked about the grants and what additional items can be paid. Director Mayfield stated that they will cover “grant” employees costs, but not “County” employees. Jim Reed asked if there had been an uptick in HIV cases. Director Mayfield stated that there had not. He again stated that if it comes to drastic steps, he would like the ability to make those decisions and come back to the Council. President Pence asked about the Administrative Assistant and the Bookkeeper; are they downtown. Director Mayfield stated yes, they have 4 office staff and 2 nurses downtown. Jorge Morales asked if they could add more people to the new temporary location. Director Mayfield stated no. It is tight, but doable for the current staff. President Pence asked about education and training. Does everyone go or could they do it over the web. Director Mayfield stated they send a few and they are using the web when available. Assistant Director Fulp stated that certain employees are required to receive a certain amount of Continuing Education to maintain their certifications.

November 12, 2015

The next office on the agenda was the **Surveyor's Office (001-06)** as presented by Surveyor E.R. Gray. Surveyor Gray handed out his Annual Report for the Surveyor's Office, GIS and maps that show what maps are available. This is just a sampling of the maps. This is his 31st budget that he has prepared. They are asking for \$275 more than last year, not including salaries of 3%. Under the Drainage Board Fund (001-19) they are requesting \$600 less. They purchased a chainsaw and printer. The **Cornerstone Perpetuation Fund (015)** has increased by \$2,000, some of which will be tires and GPS Software upgrade and maintenance. Jim Reed asked if they had received their GPS unit that was being fixed. Surveyor Gray stated it was back within a week. In the **Drainage Board Fund (001-19)**, they are asking for more money to go into the per diem for the Joint Board. It is a Joint Board with Bartholomew and Shelby County Drainage Boards. It was created to handle the Hawcreek Petition so that the Drainage Board could maintain it. As of last night, the petition was denied. Jorge Morales asked if they had to have the Joint Board. Surveyor Gray stated that they do as parts of Hawcreek affect Shelby County as well as other drains. Bill Lentz asked if we pay the other 3 members (2 from Shelby and 1 from Jackson). Surveyor Gray stated that they will pay the same amount, but there will be more meetings. Bill Lentz asked about the \$7,500; is that for Grant Tucker, the legal counsel. Surveyor Gray stated that they pay him on an hourly rate. Mark Gorbett asked on the Drainage Funds, is there an assessment for anyone that adjoins it. Surveyor Gray stated that it is the "bowl" where the water collects (*the watershed*) that leads into the drain. The status of the drain funds shows what has come

in and what is to be paid out. There was a balance of \$300,000 at the end of 2014. That money would go for maintenance of those drains. Jorge Morales asked how long a drain would be on once it was established. Surveyor Gray stated that once the fund hits 4 times the annual maintenance they will cease collections. Bill Lentz asked about the interest from the funds. Surveyor Gray stated that at one point the interest was going over into the General Fund. After looking into it, they felt that the interest should be going into the drain fund. Bill Lentz asked where the big balance came from. Surveyor Gray stated that in the 80's there was about \$100,000 seed money from the Council. Jim Reed noted the watershed area for Mineral Springs that extends to Base Road. The Drainage Board meets once a month, but they have been meeting twice a month due to the Joint Board. Jim Reed asked if the new tile to Clifford had been approved. Surveyor Gray stated yes, it was approved. President Pence asked if there had been any turnover in his office. Surveyor Gray stated that Mark Case had gone over to Animal Control years ago and he had not replaced the position. Bill Lentz asked if he was asked to cut 10% or 15%, would he rather come up with it or let the Council. Surveyor Gray stated that he has been cutting staff positions through attrition. He stated that in the past, they had utilized the Cornerstone Fund to pay the salaries of those individuals that work with cornerstones. Jorge Morales stated that is only a temporary fix then we would have to put the position back to County General. Auditor Hackman stated that is what we need to have the officials look at. Chief Deputy Beatty stated that he has generated \$9,000 this year and the current fund total is \$49,000. Surveyor Gray stated if they feel comfortable with

\$10,000 income per year, he could apply that to Ray or Gary's salary. Jorge Morales asked about equipment. Surveyor Gray stated they could drop a maintenance agreement but that comes out of the Cornerstone Fund. He has used the Cornerstone Fund to purchase big ticket items such as a vehicle, GPS and robotic equipment so that it did not affect the County General Budget. He stated that in 1984, they did not have a GIS Department. They now have only 1 person over the Regulated Drains by working as a team. Jorge Morales asked if they could charge for GIS usage. Surveyor Gray stated that is a question for the Data Board and the County Commissioners. Chris Ogle asked who drives the stakes for a new development. Surveyor Gray stated that it is done by private land surveyors. Jim Reed asked if every Cornerstone is marked. Surveyor Gray stated every original US Government corner and every Center Stone has been perpetuated.

The next office on the agenda was the **Coroner (001-07)** as presented by Coroner Larry Fisher. Coroner Fisher asked for any questions. Jim Reed asked about the contractual secretary. It was all under the 03-10 last year. They put it there as they can switch money around without coming to Council. Mark Gorbett asked where the \$17,000 increase was coming from. Coroner Fisher stated that it is due to case load increase. President Pence asked about using an existing County employee as the Secretary. Coroner Fisher stated it requires someone with specific knowledge. They are out of money in the \$30,000 due to the current cases. He is going to have to come back this year and ask for an additional \$15,000 to get through 2015. He is working with a group out of Indianapolis that will come here and do up to 20 forensic autopsy's while

they will continue to do “hospital” autopsy’s here. Bill Lentz asked if it is the County’s obligation to pay for the autopsy. Coroner Fisher stated that it is and insurance has no requirement. Everyone wants to sue so it comes down to \$1,500 for an autopsy or \$10,000 for a law suit. Jorge Morales asked why the County Hospital charges the County a \$250 fee for each person in the morgue. Coroner Fisher stated it is a cleanup fee. He feels the contract is a wise decision. Additional fees of X-ray fees, lab fees and etc. comes out of the \$30,000. There is no extra fee if they are required to go to court. He could get a pathologist that would fly in here, but he doesn’t have the confidence in him and it would not save any money. As of today they are at 90 cases. Jorge Morales noted that there are a lot more suicides. Coroner Fisher stated they have had 9 suicides and 14 overdoses this year. In 1999 there were 2 suicides. Mark Gorbett stated this is cheap insurance to prevent greater costs in court cases. Coroner Fisher stated that every one of the 4 fatalities on the interstate have attorneys. Bill Lentz asked as they are \$3 or \$4 million dollars in the hole, does he know of any place to cut. Coroner Fisher stated that he could cut the \$1,000 in supplies. His part-time budget is running tight. They average 3 calls a week, not including the calls to the Emergency Room. Chris Ogle stated that we are providing a lot of services without being reimbursed for them. Coroner Fisher is in favor of charging for copies and putting that money back in his fund. Chris Ogle stated that we need to charge for everything that we can legally charge for. He doesn’t want to try and take advantage of people but we need to recoup the costs we can recoup. The young lady from Nigeria that was killed took 2 weeks to get back to Nigeria. The

Coroner was responsible for her apartment for that 2 week period which even included the items in the refrigerator. They had one on Cottage that they had to call in Orphan Grain Train. They sold what little personal property she had to get her a tombstone. They made \$150 from that and were able to purchase a tombstone. Mr. Shadley was in the audience, but had no comments or questions.

- - LUNCH - -

The next office on the agenda was the **Prosecutor (001-08)** as presented by Prosecutor Bill Nash and Office Manager Brenda Mijares. Prosecutor Nash asked for any questions regarding his budget. Jim Reed asked what the \$3,000 was for. Prosecutor Nash stated it is for a shredder that is going out. The Council asked about other options such as Speedy Shred. The Prosecutor is open to options. Jorge Morales suggested they look at other alternatives. President Pence asked if they had any additional employees. They do not. The most recent turnover was their longest running Deputy Prosecutor that has been replaced. Prosecutor Nash stated they don't have cars or cell phones. Mark Gorbett asked about the 4D Fund increase of \$100,000 in insurance. Auditor Hackman stated that they are not the County Employees that are paid for out of the "big" pot. They reimburse the County. Prosecutor Nash stated that they have historically placed a lot of items in the budget as they receive two-thirds reimbursed. That results in the only one-third to taxpayers. Office Manager Mijares had calculated actual amounts for insurance. Jim Reed asked about the advertising budget in the Prosecutor's Budget. They had asked for \$2,000 and been reduced to \$1,000. Due to the dwindling funds, they are concerned

November 12, 2015

that they will run out before the end of this year. Mark Gorbett asked what suggestions Prosecutor Nash would have to cut budgets. Prosecutor Nash stated that they are not asking for money for things; just people and the pens and paper that goes with them. He understands the situation. His office has doubled the number of cases they are handling since he took office. They are literally scraping by with the resources he currently has. Jorge Morales asked how much leeway he has regarding money from other counties. Prosecutor Nash stated that is for APS (*Adult Protective Services*) which is not one of these budgets. It is treated as a contract. The program is broke up by Districts as the State Police Posts use to be. Then the central County was asked to host the program; Bartholomew County being the central County in this District. Child Protective Services average 12 cases per worker versus the Adult Protective Services that averages 100 cases per worker. President Pence asked if they would have any money to return at the end of the year. Prosecutor Nash stated some but not very much. Mark Gorbett stated that we need to look at the Annex again. Either bond it or delay it. He suggested that maybe they need to look at giving the employees raises and letting them go on the exchange and purchase their own insurance. If it is \$26,000 a year then maybe give them the \$20,000 that it would cost them for the year on the exchange and you can reduce each one by \$6,000. There was discussion about a Public Safety LOIT. Discussion was turned back to the Prosecutor's budget.

Mark Gorbett wanted to discuss the Public Safety LOIT. It could go towards E911 and the Sheriff's Department. He feels this is more palatable with the public. Chris

Ogle stated that a tax is a tax; not that he is against it. The extra stuff is gone. We need to cut expenses or increase revenue. It was asked if the Commissioners have looked at other options for the insurance. They have already stated that they need an additional \$575,000. Laura DeDomenic asked if we do a competitive bid process. It was stated we do not. Bill Lentz stated that the Annex and the insurance falls on the Commissioners. It was stated that the Council stated that they would give them the money for the Annex and they don't have the money. Jorge Morales stated he is not opposed to raising taxes. The Annex, the insurance and the appeals have created this problem. Auditor Hackman explained that we can indirectly affect the Certified Net Assessed Value by proving that we will have special circumstances.

- - BREAK - -

The next office on the Agenda was the **Code Enforcement Office (001-11)**. Code Enforcement Director Brian Thompson pointed out the changes in his budget. He put in for new office desk chairs at \$2,500 in line 04-40. That is the only change in his 2016 budget versus his 2015 budget. Chris Ogle asked about fees that could be changed. City Utilities recently raised the fee for meter installation from \$280 to \$1,100. They had talked about it for years and finally this year made the increase. Director Thompson stated that he feels like the fees are still reasonable with surrounding Counties. He stated that City Utilities is a "business" not so much a "government". President Pence asked how much they raised in fees. Last year they raised \$200,000 that went directly into County General. He has had no turnover since the Fire Inspector 2 years ago. He feels

November 12, 2015

that he has been good with the tax payers' money. Earlier this year, he put on 2 tires on a vehicle to get a few more miles on the other two tires. Mark Gorbett stated that he is only asking to purchase chairs for County employees to use for 20 years and they are looking at cutting \$4 million dollars. We are trying to cut this on the backs of the County employees. Bill Lentz asked about the attorney fees. Director Thompson stated that was Cindy Boll for the BZA. He does not know when the last increase was. The per diem is based on every meeting with every member present. Bill Lentz asked what suggestions Director Thompson would have to get us to where we need to be for the budget. Would he like to find the cuts if they determine to need to cut 20% or should we go to 7.5 hour days with less money for the pay? Director Thompson stated that if you look at his 200's and 300's, they total \$10,650. He has nowhere to cut. Those numbers are based on cuts from previous years. President Pence asked if there is any head count he could do away with. Director Thompson stated no. He is down to sending only one person to trainings and they are on basic phone plans of talk only without data plans. He has cut what he can cut. Mark Gorbett stated we have to cut services or raise income. Director Thompson stated that they are already asking different inspectors to multi-task because of the amount of work. If this trend continues with the current staff, they may have to cut back on some of the inspections that they would be able to do. They would not be able to do as many inspections nor as thorough of inspections. He is sure the builders would be fine with that. Bill Lentz stated that with the amount of growth coupled with the increase in farm ground we just are not seeing the growth you would expect. The Council thanked

him for the budgets he has maintained. Director Thompson stated that he is aware he probably won't be getting the chairs and he is okay with that, but will he have other cuts. Mark Gorbett stated that he does not know at this point. Chris Ogle stated that we are beyond \$13,000 cuts and they won't know anything until they meet with the Commissioners as that is where the bulk of the money is. Bill Lentz stated that health insurance has hurt us. It is now at \$26,000 per family for insurance costs. Mark Gorbett stated that revenue has to be raised or services have to be cut. Jorge Morales stated that he would rather see user fees increased as opposed to taxes. Jim Reed stated that a \$300,000 permit was issued and the house ended up being \$5,000,000. Director Thompson stated permit fees are not based on the value. It is set as a base fee plus a per square foot fee. Director Thompson would rather be the one to make the cuts.

The next department on the agenda was the **Cooperative Extension (001-23)** as presented by Kris Medic, Harriet Armstrong and Jill Harker. Ms. Medic is presenting as Elisabeth Smith is off on leave. Ms. Medic presented last year as the Interim Director. They have nearly 900 students enrolled in 4-H. The staff raised nearly \$12,000 in Grants. They used some to create a blacksmith shop at the fair. They also have funds that work with Storm Water. Additionally, the 4-H Council funds 2 part-time employees during the season. She turned the presentation over to Harriet Armstrong. Ms. Armstrong stated that they have a Dining with Diabetes program. If you look at statistics, Bartholomew County has a higher rate than the state average. She had 72 people come through the program. There was a significant life style change by 96% of the people. One gentleman

November 12, 2015

had lost 80 pounds and was off his meds three months after the class. She believes there is a great opportunity to work together to educate the employees. Bill Lentz made a comment that they do a great job. In their budget, they removed the college work study student. They have maintained all the other items. The salaries show the 3% as directed. The HHS position is budgeted at 75% rather than 61%. Bill Lentz asked if they could reduce their hours. They do not know how they would do that as their services have only increased. President Pence asked if they could do more webinar to cut the conference funds. Ms. Medic stated that \$2,200 doesn't go very far for conferences. It basically covers dues and a little bit of travel. Ms. Armstrong pointed out that the salary amount is at 85% but could be reduced to 75% making it around \$95,000. Mark Gorbett stated that the Council has to make some major changes to get us where we need to be to continue to operate. Our only options are to raise revenue, cut services or reduce staff. Do they have any ideas to get to the budget where we need it? He may be a one term member, but we have to make the tough decision. Ms. Medic stated that if they go to the less hours, it would not affect the educators. She asked that if the time is cut, would they be allowed to close their office when it was not covered. Mark Gorbett stated that he has heard several office holders that want to make the cuts once an amount is determined. Bill Lentz mentioned that BCSC has used a consultant to review their healthcare. President Pence stated that there is also Six Sigma that is available to the offices. They will provide the information they have heard to Elisabeth.

November 12, 2015

The next department on the agenda was the **Park Board (001-25)** as presented by Dave Apple (*Treasurer*), Robert Harden (*President*) and Adam Fisch (*Dunn Stadium Manager*). Mr. Apple noted that they have 13 parks in the County. Their main focus is Dunn Stadium, Heflin Park and the BMX Park. They have changed Heflin Park from a river camp to an actual family park. They now have diesel pushers coming to this park due to increases in full hook up sites. It operates from May to mid-October. They had put in for 3% raises but he realizes that may not be feasible this year. Income has gone down due to the rain that we have encountered this year. They stayed the same where they could on line items. He did include another \$5,000 for Ash tree removal. They currently still have \$2,696 dollars in this year for tree removal. That money will be used after Heflin Park closes to remove trees that need to come down in that park for safety. He also included \$10,000 for the restroom at Dunn Stadium. Jorge Morales asked about the \$10,000 that was budgeted for 2015 for the restrooms. It was explained that it was not in the 2015 budget. They have considered harvesting some trees, but harvesters are not interested in trees that people have been around as they usually have metal and other issues. President Pence asked if they could get the Visitors Center to pay for the restrooms at Dunn Stadium. Mr. Apple stated they are stretched and would give a dollar amount, but not enough to cover the entire cost. They will do publications for them that would draw tourists in. Jorge Morales asked what would happen if they do not remove the Ash trees. Ms. Medic stated they would eventually fall on campsites. Also, to remove them as a smaller tree, it will cost less. Jim Reed asked about renovations for the

ball diamonds. Mr. Fisch stated that they are booked completely next year and do not see any upcoming issues. Chris Ogle stated that the BMX track is pretty much exclusive to the County. Do they get help from the Sports and Tourism Director? His point is stating that we are bringing in the 1,000's of people that are generating the revenue for the Visitors Center and the Park Board is not getting any of that revenue. Bill Lentz believes the Council should encourage the VIP to assist the County Parks as they seem to give a lot to the City functions. Mr. Fisch believes they are getting their attention as Dunn Stadium is now the number 2 revenue producing sports facility in the County behind Lincoln Park. They did apply for some lighting at the BMX track but have not heard back from them. There are several hoops that they have to jump through to get the grants. They have made several small improvements over the years to draw the people back. Chris Ogle asked if they are at the point that if the funding was there, would they be able to build the restrooms. President Harden stated they are having plans drawn up and if they had the funding they could get right to it. They will hook in directly up the road from the waste water treatment. They must remove the ones that are on septic and hook them to the city. Auditor Hackman asked if they had discussed using the non-reverting funds that has about \$50,000 in it. Mr. Apple stated they could use that for the restroom and possibly for the road repair at Heflin Park. Chris Ogle asked that we build for future use, not something small to satisfy now. Auditor Hackman asked if the BMX would be willing to assist with the cost. Mr. Apple stated they have not approached them

at this point. The BMX is an all-volunteer organization. It produces no money for the Park Board. Chris Ogle stated that sponsorship is a way to make money.

The next department on the agenda was the **Council (001-29)**. Nothing has changed except the salary increase of 3%. Professional Services is Waggoner, Irwin & Sheeley (WIS) is an ongoing contract for the job descriptions and Personnel Policy. President Pence asked if WIS would be who they would discuss switching someone to a different office. Auditor Hackman stated they would need to discuss this with the Personnel Committee and the Commissioners if it affected their employees. Bill Lentz stated that Chris Monroe is a very approachable attorney for the Council. Mark Gorbett stated that he has not seen anything today that will reduce the budget.

- - BREAK - -

The next office on the agenda was the **Auditor's Office (001-02)** as presented by Auditor Hackman. Auditor Hackman did the standard 3% in salaries and understands that is gone. She could possibly reduce the office supplies and printing by \$500. Mark Gorbett stated that if we keep nickel and diming it we are going to have people come back every month for money. Jim Reed asked why the financial consultant was higher. It was for Cender and Associates due to new regulations as well as the new County TIF. They will be working within the amount she is allotted. Jorge Morales stated that it is our responsibility to perform a City Election and that we could charge the City for it. Can we charge for the TIF Neutralization? Auditor Hackman stated that it is statutorily the County Auditor's responsibility. President Pence asked if she could reduce the Other

Services and Charges. In the Auditor's budget, she is taking only 1 person to the AIC as that person is receiving an award for completing her AIC training. We moved on to **Debt Service (013)**. It was refinanced and will save us \$100,000 this year. It will continue to reduce yearly as it is a shorter term. This fund is outside the levy so it will not affect the County General Fund. Next was the **Elected Officials Training (501)**. There was very detailed information of what items can and cannot be used out of this fund. State Called meetings can be paid for out of this fund for the elected officials. Auditor Hackman stated that had the Council stayed overnight for the State Called meeting, it would have come out of the Council budget. The **CAGIT (111)** is \$5,760,000. Last year it was \$5,700,000 which was divided up to \$475,000 a month to the Benefit Trust. They are requesting \$6,200,000. There are additional funds in the CAGIT Fund that have not been budgeted but that is only about \$389,000. The other option is to put the employee amounts of \$400,000 directly to the Benefit Trust which means it will not be going into County General as it is now. That would create another \$400,000 issue with County General. Auditor Hackman moved on to the **CEDIT Fund (590)** figures. That amount is appropriated by the Council and expended by the Commissioners. One percent (1%) is CAGIT and point two-five percent (0.25%) is CEDIT. If they were to adopt the LOIT CEDIT for Public Safety would be another point two-five percent (0.25%) which would result in one point five percent (1.5%) total rate. Jorge Morales stated that the Council members had taken the heat for the CEDIT and the City received the majority of the funds. Auditor Hackman stated that we have balanced the budget with the CEDIT

money. She broke down the CEDIT plan that they have. Chris Ogle asked if he understood the Healthcare correctly. In theory, if we give the Health Fund \$6.2 million then if everything would run normal, then there would be \$1.8 million that would come back into the General Fund. Jorge Morales wanted to recess the Budget Hearing and start a Work Session meeting. It was explained that could not happen. Jorge Morales is suggesting putting the items back into the CEDIT plan as we have done in the past. Chief Deputy Beatty did move \$300,000 in medical expense. Auditor Hackman stated that they have decreased the budget by the Sheriff's cars and E911 and moved them to the County General. There was much discussion regarding where the \$3.9 million dollars in cuts are going to come from. There was discussion that the \$3.9 million dollars is the insurance. It was previously paying for items out of their budget. Chris Ogle stated that if we fund the insurance at only \$2.4 million dollars and then take back the \$2.6 million for the Annex then we have a balanced budget. Laura DeDomenic stated that the Annex could be put on hold until we are financially stable. Jorge Morales stated that if we do not give the Deputies raises they will fall behind the City pay after the work for the parity. Chris Ogle stated that we are at the point that employees need to go. He does not want to do that. We need to find the cuts or the additional funding. The Youth Services Center is an issue. Laura DeDomenic wants to know how much we could save if we outsourced the kids. It was stated that we would need to have an outside group look into it to get the real numbers. Chris Ogle did commend the Youth Services Center in that they have cut the costs greatly while having to say within their required State statutes. Auditor Hackman

November 12, 2015

stated that the Adult Protective Services is being moved from the Annex to the Youth Services Center's empty wing. This is a permanent move. Mark Gorbett made a suggestion that someone contact the Commissioners to express some of the discussions that have been going on so that they are not blindsided when they meet with the Council. This will give them some time to come up with some suggestions or solutions. The IT position has been offered to a current County Employee. They are requesting more money for the IT Director position. The Council and Commissioners need to cooperate. Possibly the Council needs to Bond and the Commissioners need to add the Cumulative Capital Development Fund. Mark Gorbett asked if Jorge Morales would vote to Bond the building. Jorge Morales stated that he would not as he will not raise taxes. Chris Ogle thinks we need to look at requesting funds from the Community. There is \$2.6 million sitting in the Annex Building Fund. There was much discussion between many people at the same time making it impossible to differentiate the ongoing conversations.

- - MEETING WAS RECESSED - -

The Budget Hearings were reconvened at 8:30 on Wednesday, August 19, 2015.

The first department on today's agenda was **Weights & Measures (001-28)** as presented by Director Dan Londeree. He put in for a 3% salary increase and a \$1,000 for longevity. He raised his cell phone line item to \$650 from \$500 as he has had to move money around to pay for it and he transfers his calls to it so that he can receive them while in the field. He is still up in the air as to whether he needs a new proofer for testing diesel fuel. President Pence asked what was included in the wearing apparel. Director

Londeree stated that it was for his shirts with the logo on them. Mark Gorbett explained the situation that County is in. Director Londeree stated that if you don't give raises, that is one thing, but don't go behind the doors and give certain individuals raises. He stated that he was a police officer for years. When something is going down then you are there, but there is a lot of down time with that job. If you are giving a raise then give it to every County employee. Mark Gorbett stated that none of the raises for the Sheriff's Department had been done behind closed doors; it was all done in public meetings. Director Londeree stated that it was done that way for IT a few years ago.

The next department on the agenda was the **Assessor's Office (001-09)** as presented by Assessor Lew Wilson and Chief Deputy Rita Carr. Assessor Wilson moved to the **Reassessment (684)** and discussed his part-time expenses. It was explained that reducing the Reassessment Fund would not directly help County General. Bill Lentz explained the County's situation and asked Assessor Wilson if he would rather make cuts if they had to cut 10% to 20% from each department. Assessor Wilson stated he would want to know what options he had. Jorge Morales asked if there was any way that he could determine how much money the appeals were going to cost us. Assessor Wilson stated that they have 533 appeals total for commercial and residential. He believes they will end up with 544 due to mailed appeals. There are 344 commercial appeals. Due to law changes by the legislature, he has had more appeals filed with the State. Assessors call these laws "tax rep laws" because that is who it benefits. Jorge Morales asked about the impact regarding the Meier's decision. Assessor Wilson stated that there was a band

aid placed on it. They will have to wait and see what the Legislature does in the next session. Jim Reed asked about the hotel appeals. Assessor Wilson stated they had won the Courtyard appeal. He had asked for \$18,000 to fight that appeal. He spent between \$13,000 and \$14,000 but saved about \$75,000. He settled it as a package, settling all years at one time. Chris Ogle asked about the \$900,000, how much was commercial. Assessor Wilson stated higher than 75%. Auditor Hackman stated that there appeared to be an increase in the Net Assessed Value. There was discussion regarding the process for backing out appeals in the computations for taxes and rates. There was discussion regarding the hole the County is in. Mark Gorbett stated that if we cut the employees 5% in their pay, it still is not enough. We would have to cut 78 employees, delay the Annex, bond the Annex or create a tax. Those are our only options. Getting back to topic, Assessor Wilson explained that he had agreed with a tax rep to lower an already low assessment by 20,000 assessed value or about \$500 as opposed to spending \$5,000 to fight the appeal. Bill Lentz asked where we were at regarding the tax rate for Reassessment. As of right now, the fund will have about \$400,000 in it at the end of the year. It will need to continue with a tax rate, but we may be able to lower the rate.

The next office on the agenda was **Maintenance (001-31)** as presented by Director Rick Trimpe. Director Trimpe stated that the 100's had increased by the suggested 3%. His 200's had a few increases due to chemicals. Of the two facilities that the Annex offices have moved to, one of them is all electric. The purchase of the Bobcat a few years ago has worked out great. He has to replace vacuum cleaners very frequently

as they are used 5 days a week. Chris Ogle asked what most of the part-time money was spent on. Director Trimpe stated it was a Secretary and cleaning at the E911 Center. Laura DeDomenic asked how much square footage difference is there between the old Annex and the two new rental sites. Director Trimpe stated that there is 200 square feet less. We are still responsible for the utilities and cleaning as well as some general maintenance. Mowers and items were moved to the Sheriff's Department from the Maintenance Department a few years ago. The Maintenance Department mows the Youth Services Center as the Judge will not allow the inmates to mow there. Laura DeDomenic asked if we have a plan regarding the length of life of our facilities and the major ticket items such as roofs, elevators and HVAC. Director Trimpe stated he does not. Laura DeDomenic stated they should have a Comprehensive Capital Improvement Plan so that we can see the big ticket items that are coming up in the future so that we don't get blindsided again. Bill Lentz explained the County's situation and asked if he had any suggestions. Director Trimpe stated he could do away with a part-time housekeeping. He has kept his budget at what it was when he came in. Jorge Morales thanked Director Trimpe for his work and efforts. EOC Director Ed Reuter stated the Maintenance Department had saved the County about \$6,000 by redoing the floor in Dispatch.

The next office on the agenda was **Emergency Operations Center (001-33)** as presented by Director Ed Reuter. He started with the **911 Statewide (122)**. He just received information from the State that his IDACs monthly fee is going from \$75 a

month to \$125 a month. They reduced machinery last year and have been okay with that. They recently purchased a consolette for \$7,500. A consolette is basically a base radio and they have two radios for each agency. The money they will be receiving from the State is \$975,694. The State is working on a new system that Bartholomew County will be the first County in the State to go on. Jorge Morales noted that our E911 has been recognized by Angie's List as well as the Head of the Indiana Department of Homeland Security as one of the best, if not the best E911 agency in the State. Director Reuter stated that all types phones will be charged \$1.00 per phone for Enhanced 911. As far as the pre-paid phones, Indiana is actively pursuing a lawsuit against those companies that have not paid the E911 fees. Jorge Morales stated that at one time, the fees covered the operations but even with the fees at \$1 it does not do that now. Director Reuter stated that landlines were \$1.84 and mostly covered the operation, but when landlines started going away, it has not been able to keep up. Jim Reed asked how they charge the \$1 for pre-paid phones. Director Reuter stated that the pre-paid phones collect \$1 when the minutes are purchased so if someone purchases 6 months of air time, they pay \$1. If someone purchases monthly, then they would pay \$6. Mark Gorbett explained the situation the County is in and asked what Director Reuter would do. Director Reuter stated that he has maintained a very tight overtime fund. He monitors it extremely closely. It was clarified that the amount we are short is actually \$3.9 million or closer to \$4 million. Director Reuter stated that if they end up having to cut someone at the EOC, it should be him that is cut – the Dispatchers are indispensable. The City still pays 55%

with the agreement and our numbers represent only the County's 45% portion. Bill Lentz (*discussing the Annex Building Project*) stated that if you divide the \$3.3 million by the rent we are paying for the 2 facilities, we could pay rent for 40 years. It was explained that by cutting the hours worked a day and reducing 5% pay would only reduce about \$300,000 as 164 employees are 24/7 and would not face the cut. There was further discussion regarding possible cuts. There was discussion about turnover at the Dispatch. The Center is using WOW Clinic for drug testing.

- - BREAK - -

The next department on the agenda was the **Youth Services Center (001-34)** as presented by Director Anita Biehle as well as Court Services Director Brad Barnes and Circuit Court Judge Heimann. Director Biehle stated that the only increases were 3% for salaries and 2.2% State Mandated salary increase for the Intake Officers. She has cut where she could. Line item 01-28 went from \$130,000 to \$100,000. Bill Lentz asked about the 2.2% increase. Director Biehle stated those salaries are set by the State and they have increased by 2.2% and those salaries are paid out of County General. Director Barnes stated that it is a 2.2% increase in the base and could also include a longevity increase if they were at a new level of longevity. He stated that the change in part-time from 39 hours to 28 hours has caused more shifts to be filled by full-time employees as Director Biehle cannot keep part-time employees at only 28 hours. Director Biehle explained the hand out that was given to the Council is regarding her budget and reimbursements. DOC and Title 1 are not put back in County General. Director Barnes

stated that they believe the “Reimbursement for Shelter” estimated at \$144,396 is a very low estimate. Judge Heimann stated that some of the reimbursement is for out of County and some is for in County kids. Shelter is reimbursed by the State while Detention is reimbursed by the County they are from. Laura DeDomenic asked how many kids we house on average and of those what percentage is from our County. Judge Heimann explained that at the end of June they had 16 kids in the 3 components. Two out of the three kids were from out of County. In the Detention side, 13 of the 13 were from within our County. Detention is kids accused of committing a crime. Some were dealing in drugs, possession with intent to manufacture, possession, battery, child molesting, battery resulting in bodily injury and theft. The average length of stay for Detention is 9 days. They also have a home monitoring system. There are currently 4 on the monitoring system but it has been up to 12 at its highest. Laura DeDomenic asked if they have year to date numbers showing the breakdown of the number of kids, days spent in in the facility and other items. Judge Heimann stated that they put out a yearly report that they provide to the Council. He explained that when the Shelter first opened in 1992, we were receiving around \$400,000 in reimbursable money due to more Counties using our County. Now, there are fewer Counties using Bartholomew County. Mark Gorbett explained the County’s financial position and that we do not have the revenue to fund the expenditures. He explained that they have been talking about a Public Safety LOIT. There was also another \$3.1 million dollars in Healthcare costs. We have been band-aiding and now we are suffering a major bleed. There has been discussion about even

possibly closing the YSC. Judge Heimann asked if they have shopped the insurance to get a better deal. He knows we are reimbursing at \$24,000 but he is hearing some at \$16,000. Chris Ogle explained that is a Commissioner function and the Council has been told they have done everything they can. Judge Heimann stated that the Council chose not to bond the Annex so they are putting it on the backs of the employees to construct a bricks and mortar building. Bill Lentz stated that they did not bond so they didn't incur an additional \$1.2 million dollars in interest. Judge Heimann stated then that will result in breaking the backs of the employees. Mark Gorbett stated he was in favor of bonding but even fixing that we need to fix other items and look ahead to future budgets. Judge Heimann stated that we were told to do the health assessments to help lower our costs yet it was turned around to say that as a result of the health assessment we need to raise our insurance amounts. Judge Heimann stated that you want to build a building you can use for 50 years or so, not just the next 4 years. He explained that is the 200 pounds you are putting on the back of an 800 pound gorilla. President Pence asked if the employees realized the benefit they are receiving with the insurance. Judge Heimann asked President Pence if she had been employed at Cummins. She responded yes. Had she felt that she had received fair benefits and pay for fair work. She responded that she felt she had. Judge Heimann asked then why would they treat the County employees differently. There was much discussion at to alternatives and solutions. He stated that they have been using Project Income for salaries instead of Projects. They have done this to provide adequate employees to provide the programs. They use to send 35 kids on average to

boys and girls school. They have not sent more than 9 in one year. They use to send 18 to 20 kids to George Junior in Pennsylvania and they no longer do that. He doesn't understand why they would consider shutting down the Center. What will happen to the kids that are utilizing this function? There are kids living in cars and going into school to get their showers. Mark Gorbett stated there are 18 homeless kids at Columbus North. Bill Lentz stated government should help the people, but no one has ever taxed themselves into prosperity. He would like to see the Annex put on hold as one component. Judge Heimann stated that the statement about taxing to prosperity is wrong. The greatest boom in prosperity was after World War II with high marginal tax rates. Look at Minnesota and Wisconsin. Minnesota increased taxes and is prospering while Wisconsin has cut taxes and is faltering. His point is that the Council has a tough job and they are stuck in the middle. He just doesn't want them to take it out on the employees. Director Biehle brought the Council up to date on the JDAI. JDAI looks at alternatives to detention. Director Barnes stated that the YSC is under-staffed as far as full-time employees. That results in using part-time staff to fill the required positions. Judge Heimann stated that the YSC has been for at risk kids or kids that were a risk to the community. They have utilized an assessment test to make the determination.

The next office on the agenda was **Court Services Center (001-35)** as presented by Director Brad Barnes. Director Barnes stated that there was a 3% employee that is not a probation officer. The Probation officer salary schedule did increase per the State Mandate. Their overall budget increased \$500.

November 12, 2015

The next office on the agenda was **Alcohol & Drug Program (010)** as presented by Director Brad Barnes. Director Barnes believes they will be able to support this budget with an estimated income of \$155,803. The increase in salary is due to the State Mandate as well as an increase to employees in the 15-19 years of service range. They are becoming a very senior staff due to employees staying. Officer #13 has to be paid the amount they have in there as that is the amount they are required by the State to pay. President Pence asked if the insurance fees were covered. Director Barnes stated yes with one exception that is an employee paid mostly out of County General so her insurance is paid from County General.

The next office on the agenda was **Adult Probation (011)** as presented by Director Brad Barnes. Director Barnes explained the budget.

The next office on the agenda was **Juvenile Probation (012)** as presented by Director Brad Barnes. Chris Ogle asked if his insurance numbers were estimates or actuals. Director Barnes stated actuals. This employee is the one that is supplemented by this fund but mainly paid out of County General. Mark Gorbett stated that Director Barnes has always looked for Grant opportunities and even presented one opportunity to Jail Commander Gary Myers last week.

The next office on the agenda was the **Superior Court 1 (001-37)** as presented by Judge Worton and Chief Bailiff Teresa Million. Judge Worton explained the increases in his budget for salaries. He is asking for a \$5,000 increase in Professional Services which pays for appeals. They have asked for an increase for transcription. He is getting ready

November 12, 2015

to implement a Veteran's Court. Brad Barnes will be the Coordinator of the program. It is a program for Military Veteran's suffering from PTSD. He will be doing a press release in the upcoming days. To participate in the program, they must be a Veteran that has low level criminal offenses. There are more steps for them to take, but if they do all the steps and graduate from the program it will make it better for them. CenterStone will help with this program. He feels that if there is anyone in the criminal justice system that deserves help, it is the military Veterans. Chris Ogle stated the financial situation that the County is in. Judge Worton would love to be able to give a good answer but he can only speak for his budget. He is estimating that his Court is one of the bottom cost departments. Chris Ogle stated that it is not the office budgets, but the Healthcare for the employees. Judge Worton stated they are operating with 3.5 staff members and they could use another full-time position. He feels that most of the departments are operating on skeleton crews. Chris Ogle stated that he has watched the office budgets in the 200's, 300's and 400's and they have shrunk over the past years. It is the Healthcare cost that is the problem. Mark Gorbett stated that even if we get the Commissioners to do something different on the Annex, we still need to reform the Healthcare and look at a Public Safety tax.

- - LUNCH - -

The next office on the agenda was **Superior Court 2 (001-27)** as presented by Judge Coriden and Chief Janet Ketren. They explained that there are increases for 3% in salaries. They have always budgeted for Overtime but it is usually denied. The 04-40 is

for typewriters. Bill Lentz and Mark Gorbett explained the financial situation of the County. Judge Coriden asked why the insurance is not bid out. The Council stated that is under the control of the Commissioners. Judge Coriden stated that the Council controls the purse strings. She stated that there has not been an increase in employees in her court in years while the workload has more than doubled. Cutting the hours from 8 to 7.5 or less would only create even larger headaches. Judge Coriden has been reviewing old cases that have no hope of being brought to court. She then works with the Prosecutor's office to dismiss the case. The third Public Defender is funded by fees so that is not coming out of County General. Superior Court 2 brings in the most money in the Public Defender account. These are fees assessed against the defendants. To date this court has collected \$30,297.38 which almost covers the entire year salary for the position. There was discussion regarding the process through the court. Judge Coriden stated that the departments have reduced and reduced and reduced. They no longer have places where they can cut. We are at critical mass. Mark Gorbett stated it is that way for every department.

The next department on the agenda was **Highway (002)** as presented by County Highway Engineer Danny Hollander. There are 3% raises for the employees. He increased the sand & salt by \$30,000. Stone has also taken a big jump over the past two years. Meshberger would not even sell them stone last year as there inventory was already allotted for. He reduced road signs by a little bit to make the numbers work. In the 04-40 they are requesting two – 1 ton dump trucks to replace the two that are worn

out. They also have \$90,000 in the budget for a used grader. They wore out the one they currently have while working on 325 W and cannot find parts to keep it running. Laura DeDomenic asked about the increase in infrastructures. Engineer Hollander stated that is based on the State's estimate and that is used for overlay or chip-n-seal of the County roads. Most everything is pretty much the same as last year with the changes for insurance and PERF. It was explained that all the funding for this is from the State, not County General. It is based on a formula to divide up the gas tax. One of the factors is road mileage. President Pence asked if they had any turnover. Engineer Hollander stated very little in the last several years. Mark Gorbett asked what would happen if they cut the overtime. Engineer Hollander stated that is used only for snow removal or trees down. Mark Gorbett explained the County's financial situation. It was noted that Highway funds are not in County General. Engineer Hollander stated that without the CEDIT money, he could only have paved 4 or 5 miles of road. The State use to take other items out of the gas tax, but they stopped that 2 years ago, sending more money to the Counties. Engineer Hollander moved on to **Local Road & Street (003)**. It is also gas tax but salaries cannot be taken from this fund. This is basically used for roads. Auditor Hackman asked if one of the mechanics at the Highway Garage is paid out of the Commissioners' budget. Engineer Hollander stated he could. He stated that mechanic is working on Sheriff's vehicles, dog catcher and other county vehicles. He wonders if the State Board of Accounts would know that he was not working on Highway equipment as it is not Highway road maintenance work. He is not certain if it is a correct use of the

funds but he will look into it. Local Road & Street has continued to go down a little each year. The reason for the \$700,000 year was due to encumbered funds. Engineer Hollander moved on to the **Cumulative Bridge Fund (004)**. He stated that most of the bridge builders are currently working down along the Ohio. Even the little guys are turning in extremely high bids because they don't want or need the job. He has not bid anymore bridges because he does not want to pay more than he should for them. Mark Gorbett asked about the salt barn. Engineer Hollander stated it would come out of infrastructures in Local Road & Street. One issue is the salt/sand mix isn't covered so there is run off. Another issue is that they can only store 400 ton of salt but they use 1200 ton. By having a place to store it, they could possibly purchase it in the off season to save money. The barn would be 120' by 80'. It would be concrete walls with a wood frame roof. They found out yesterday that to get the zoning approval, the City is requesting that the County do road improvements to Illinois Street including curbs and gutters. President Pence asked if we could move 10% of unappropriated funds to the Rainy Day. Auditor Hackman stated that the only fund that has any money in it is Cumulative Bridge. They have added a statement to the law that you cannot move them if they are "designated" because there are plans for that funding. That creates a question as to whether we could legally move it. If you moved a 3 man crew and Engineer Hollander to Cumulative Bridge, then that would free up money in the Highway fund to do more roads with less CREDIT money.

November 12, 2015

The next department on the agenda was the **Sheriff (001-05)** as presented by Sheriff Matt Myers, Chief Deputy Chris Lane, Major Gary Myers and Matron Dalene Pattingill. Sheriff Myers discussed the increase areas. The salaries for the Sheriff side include a 3% raise which is a \$63,909 increase overall. The over time would be at 3% more. The pension amount is a minimum of \$23,000. Shift differential is for Narcotics Detectives that are working 2nd and 3rd shift hours. Under Professional Services, they have asked for a \$10,000 increase for Merit & staff training. This would also cover the Narcan cost. They must also re-certify with the Tazers. Laura DeDomenic asked if they could get our funds back once a prisoner is at the hospital. Sheriff Myers stated they might be able to bill but they would never see the funds. With the mistrust in the police nationwide, they must maintain the continuing education. He noted that he had to get new printing as he was a new Sheriff. He also had to use the attorney to get policies and plans in place. He wasn't being reckless with those 2 funds, it was items he had to expend. They did have a decrease in Longevity due to older deputies having retired. There are no deputies over age 62. The average age right now is probably closer to 30. In 03-60, it looks like an increase of \$30,000 but it was paid out of CEDIT in 2015. That was repairs for cars, tires, or deductibles for wrecks. They are asking for 5 vehicles at \$34,251.29 per vehicle or a total of \$171,256.00. There are still 3 new cars for 2015 that have not been put into service yet. Sheriff Myers stated they are running them longer with more miles. He wants to compliment the mechanic at the Highway Garage.

November 12, 2015

Moving on to the **Jail (001-32)** budget, Sheriff Myers again stated they are at 3% for the salary increases. They are also looking at moving one Correction Officer to a Sergeant position. Every day they call someone in, it is costing \$200 per day. Laura DeDomenic asked if they could then reduce the overtime costs. Sheriff Myers stated that he understands the question but they are expecting more people in the jail next year. They also are asking for an additional clerical worker as well as paying the nurse out of County General as the **Misdemeanant (026)** fund where they had been paying the nurse has dried up. Major Myers stated that as of September 1, they must complete a 35 page Medicare application for any inmate that is housed for longer than 30 days. Today, it would require 64% of the population to be enrolled. Sheriff Myers stated it is hard to ask for additional monies after hearing the budget discussions yesterday. He is not taking away anything from any other department, but they are the front line of the law enforcement in the County. Jim Reed asked if the Public Information Officer position could be doing the application process instead of the PIO information. Sheriff Myers stated that because of Ferguson and other incidents, we need to build relationships with the community. If the Council wants to control what PIO comes out of the Sheriff's Department then the Council needs to tell him what information to put out. Jim Reed pointed out that Todd Noblitt use to handle the PIO position. Sheriff Myers stated that he has shifted responsibilities around. Todd Noblitt is in charge of training and sex offenders. We are at a point that it is going to start affecting public safety. The clerical would be the contact person if there were a lawsuit, so you wouldn't want a part-time

person in that position. Jorge Morales stated that most of the issues he has seen from the Jail have come from medical issues. Mark Gorbett stated that the Council understands the issue, but it comes down to the financial situation of the County. Laura DeDomenic asked a random question as to the percentage of diversity of his workforce. Sheriff Myers stated that it is an issue. They currently have one African-American on the Reserves. They are just not getting that many diverse people to apply. He has asked 2 people on the Merit Board to step down so that he could have a female and an African-American on the Board. Jorge Morales has been attending events to encourage diversity. The Reserve numbers are going down due to fears of lawsuits. He has asked Reverend Balsley, an African-American to be their Chaplain. Bill Lentz asked what the nurse is paid. It is \$46,000. Sheriff Myers continued through the Jail budget. Jorge Morales asked how they had maintained the Health contract at \$300,000 over the years. Matron Pattingill stated that it is based on an average number of inmates. Sheriff Myers stated there is a difference in shift differential as they would like to change it to 10% for second shift, the busiest shift, and 5% for third shift. Jail Operating Supplies are an increase but they combined two accounts into one account (02-21). They added money because they come back every year for additional funds in the maintenance fund. They are asking for an additional \$2,500 for Narcan and Tazer training. There is a \$15,000 for meals. Matron Pattingill stated that they had been coming back every month for additional due to the meals for Community Corrections. This process was switched last year so that it was accounted for during the budget process. We are now accounting for it coming in

and going out. Sheriff Myers discussed the handout that was presented to the Council. He discussed the fact that he has prioritized the Narcotics division as he feels drugs are the current pressing issue. He showed that one page of the report discusses what the PIO position has done. If you cut line item per line item but that won't fix the problem. Don't come to him and ask what he wants to cut because he is where he needs to be. He heard discussion yesterday about the Public Safety Tax. The County employees have done more with less. He stated that there was discussion about employees possibly being laid off but then hears about breaking ground on the \$2.6 million Annex and a \$15,000 study for a new salt barn. The employees cannot continue to do more with less. Mark Gorbett stated that sitting on the other side of the table; he sees that we need to fix the Healthcare issue. It has been and continues to be a burden on the employees. Sheriff Myers stated that the insurance issue is someone's fault. He is not concerned about his job as he is elected and he has a job next year, but his employees do not know if they have a job next year.

- - BREAK - -

The next department on the agenda was the **Solid Waste Management Authority (SWMA) (001-31)** as presented by Director Heather Siesel and Controller Diana Hodnett. Their budget is \$500,000 less than last year as they had cell construction last year. They increased the benefit line items slightly to catch up from previous underfunding. They increased PERF by \$10,000. In the 300's they had roll off costs of about \$13,000. Also the household hazardous event is down \$20,000 due to not having a

special event at the Fairgrounds. They have \$3,000 less in advertising costs. Jorge Morales asked why they were doing that. Director Siesel stated their Board wanted to see some items pared back. The payback of the Health trust was discussed. In Recycling they have increased costs due to the takeover of the commercial cardboard/paper from the City. The recycling market is down. They are not losing money, but they are not growing what they had hoped to. Cardboard recycling takes in a lot more tonnage than curbside recycling does. Chris Ogle stated the out of pocket expense to the citizens has reduced every year. Director Siesel stated that in the 400's they do expect quite an increase to replace a wheel loader that has daily use at a County/City site and is heavily used. Chris Ogle stated that these are services that are offered to County residents but are not generating any revenue. This is not the only program that is ongoing. Director Siesel stated that the landfill site construction will have a major decrease as they will not need to construct a new cell for another 6 years. There is another \$50,000 increase in their post-closure account. This would be money to close the landfill and maintain it as it is required. Chris Ogle stated that if they closed the landfill today, it would cost \$5.5 million dollars. They currently have approximately \$3 million dollars. Jorge Morales commended Director Siesel for the work she has done. He does not believe that they should hold their employee's salaries to the County issue. President Pence asked about 02-25; she asked who is being paid for that. Director Siesel stated that they have a full-time educator for the schools, adult groups and assisting to comply with the MS-4 program. The other line item listing education is for supplies. They also contract out to

places like Kids Common where one instructor would not be enough for a large group. Conferences and trainings are made up of some national trainings for the Director and the Landfill Manager to stay up to date with Federal requirements. There are also State and Local trainings. Chris Ogle stated that everyone in the County could drive their trash to a site and get rid of it for free. They are not required to pay a Rumpke or other trash pickup service. They are spending a lot of time and effort to educate the public so they can continue to reduce the amount of stuff that ends up in the landfill.

The next department on the agenda was the **VIP Commission (017)** as presented by President Denise Pence. There is only one line item of an allocation to the Visitor's Center for \$1,200,500. They are figuring on the same amount as last year. They like to have about \$300,000 in reserves. They did dip into the reserves for only the second time in history. Jorge Morales noted that their reduction was due largely to a decrease of activity at Camp Atterbury. They have talked with their hoteliers and feel comfortable with their amount. The Columbus Visitors Center was the only applicant. The Visitors Center has worked with the Town of Hope to place a kiosk in Hope. Karen Iverson, Executive Director of the Visitors Center, stated that the numbers have been relatively low. There is much more interaction between the Visitors Center and Hope this year. There is also a kiosk at the Edinburgh Outlet Mall. Jim Reed asked if they were going to put one at the rest stops. President Denise Pence stated that the one at the Outlet Mall is the most used in the State and probably should have 2 kiosks. Jorge Morales would like to put in a plug for Dunn Stadium and the BMX for financial help with their restrooms.

November 12, 2015

President Denise Pence stated that by State Statute it is required to be a non-profit. It was clarified that he was discussing a grant from the Visitors Center, not a grant from the VIP Commission. President Evelyn Pence discussed the report that was provided by the County Parks Board. Director Iverson stated that it is a point of discussion in their office as Dunn Stadium and BMX does bring in a lot of people. Bill Lentz asked if the employee benefits include their insurance. He says that about 20% of their wages goes to taxes while the SWMA is about 43%. The Visitors Center has a PEO called Tilsen that provides that service. Laura DeDomenic asked President Denise Pence as an outsider's perspective, would she rather see taxes go up or services be reduced. President Pence stated that insurance would be a place to look but it is beyond her ability to answer that question. She was at the San Francisco International Airport and looked at the menu of a restaurant that stated a 2% employee benefit surcharge would be added to the total due.

- - RECESSED FOR THE DAY - -

Meeting was reconvened at 8:30 on Thursday, August 20, 2015.

The first department on the agenda was **Circuit Court (001-36)** as presented by Judge Steve Heimann and Tammy Johannesen. The only difference in his budget was 5% for raises for his employees. They also added \$120 for a wireless connector in the courtroom because lawyers are unable to connect with the currently weak signal. It would be a one-time expense for an extender. The judges are working on getting a Hot Spot to be used by the on-call Judge for connection wherever they are. Mark Gorbett asked about the \$2,000 more in 04-40. Judge Heimann stated that the furniture in his

November 12, 2015

office is his so when he leaves, the new judge will need furnishings. Judge Heimann moved on to **Circuit Court 4-D (001-39)**. The requests were the same so there was no discussion.

Surveyor Gray brought in a letter this morning. He had looked into the **Cornerstone Perpetuation Fund (015)** possible expenditures. This fund receives \$5 for every deed recorded in the Recorder's Office. They have been progressively moving more purchases to this fund. He is suggesting that they utilize \$10,000 to pay salaries for individuals working in Perpetuation, move \$300 of furniture to the Cornerstone Perpetuation and drop the maintenance plan on the GPS equipment that was just repaired. He is even open to taking \$20,000 out for salaries next year and then looking at it before 2017. Jorge Morales stated that taking wages out of funds like this is fine as long as the revenue stream exists, but it will look like we are adding employees when we have to put them back into County General.

Auditor Hackman stated that she spoke with Financial Consultant Dan Eggermann. He is in Florida but is headed back and will try to be here tomorrow afternoon.

Mark Gorbett spoke about the Public Safety Tax. He listed the items that can be paid out of this fund that included police, fire, ambulance, Youth Services and E911. Pension payments can be paid out of this. It would generate \$1.9 million.

The next department on the agenda was the **Veteran's Service (001-27)** as presented by the Veteran's Service Officer Tom Crawford. He is asking for a full-time

Secretary due to issues with angry Veteran's. The part-time would be the 3 day person that goes out to those Veterans' that cannot physically come in. He is asking to cut supplies to \$1,000. He is asking to cut clothing to \$250 as they are good on shirts. The Burial of Soldiers line item is \$40,000 and he doesn't want to touch that line. There is no increase in Communication. Printing and Advertising has been cut \$100. He discussed that in 2013 they were bringing in \$17 million and in 2014 they brought in \$26 million through the County Veterans. The VA has to explain where their money goes. Their report shows that he has increased the inflow to this County by \$9 million dollars over the course of a year. There are 5,530 Veteran's in Bartholomew County as of January 1, 2015. Bill Lentz asked for the breakdown of burials this year. It was stated that there had been 109 that had been buried. Jim Reed asked if VSO Crawford has felt threatened in his office. VSO Crawford stated that he served 3 terms as Military Police and the Veteran's know that if he stands up, it is not going to be good.

Sheriff Matt Myers was present to discuss an issue he had failed to mention regarding the radio system. There is an age issue with a tower system that the Jail uses for communication. It is also used as a backup for the road deputies and is used by County Fire, the Hospital, the School Corporation and the Probation Department. The City was originally going to eat the cost to update this but have now decided to split it between 4 units; City, County, Hospital and School Corporation. Mark Gorbett stated that this is an issue due to the amount of departments that use this system. He stated this is where the LOIT Public Safety Funds could be used. This could also help the

Misdemeanant Nurse issue that is facing us as well. Originally there were two options with the City but they have decided this is how it will have to be done. Sheriff Myers believes it should be one point of contact for the County as opposed to the County Fire Chiefs, Probation and other departments. He also wanted to inform the Council that he has added 1 deputy per shift on the road. That is why there may be some increases in overtime. They tried 10 and 12 hour shifts for the first 6 months but now are back on 8 hour shifts. They average 500 – 700 civil papers so he is looking at having civilian personnel serve them so the deputies can do more law enforcement work. There are still some dead spots, regarding the radios, out in the County.

The next department was the **County Commissioners (001-30)** as presented by Commissioner Chairman Larry Kleinhenz, Commissioner Carl Lienhoop and Commissioner Rick Flohr. Chairman Kleinhenz asked if the budget is going to be flat lined, is there a reason to go through the budget line by line. Mark Gorbett stated that we are in a tough financial spot this year. We need to look at alternatives to the healthcare and the Annex. Chairman Kleinhenz asked why our revenues were down. Auditor Hackman stated that the insurance was at \$4.5 million then there was an increase of about \$1.7. To pay the Trust the \$5.7 million that was required took all of the CAGIT funds. Also, the \$3.1 million that had been being paid out of the CAGIT went back into the Commissioners line items. Even with the money that is coming in, there will be only \$20,000 in the account at the end of the year. Chairman Kleinhenz stated that it is a part of the problem but only \$1.4 million, not the entire \$3.1 million dollars. Auditor

November 12, 2015

Hackman stated that we cannot make up the \$3.1. Chairman Kleinhenz stated that we will make up the \$1.7. Mark Gorbett stated that we don't want to point fingers. It is a part of it. We don't have revenue to make payroll. Laura DeDomenic wanted to know where the \$24,600 figure came from. That is the figure from their insurer. Chris Ogle wanted to know why their budget increased \$3.1 million. It was explained that the \$3.1 million of CAGIT was used for items in the Commissioners budget. Now, the CAGIT is going directly to the Employee Benefit Trust now so the \$3.1 million is coming out of the Commissioners. Commissioner Flohr doesn't want us to under fund the insurance again. He suggests the Council comes up with the amount and they will take that amount to the insurer and come up with insurance plans that fit the allotted money. Commissioner Lienhoop stated that to maintain the level of insurance that we have will require \$575,000 more. It takes \$125,000 for a one percent raise to the employees. Not matching the \$575,000 increase will result in basically hurting the employees by a 4% decrease in their pay check. Bill Lentz stated that he feels it will require more money than that. Commissioner Lienhoop stated that you can't have your cake and ice cream too. Mark Gorbett stated we need to stop looking back. We have a problem and we need to fix it. We need to move forward. Bill Lentz stated that we are basically \$3.9 million short. Chairman Kleinhenz asked if that was based on requested budgets. Bill Lentz explained that was using flat line 2015 budgets. He mentioned that delaying the Annex would help us. Chairman Kleinhenz stated that they will stop the Annex but it won't help the situation. Commissioner Lienhoop asked if the Rainy Day fund was now part of the

income stream. Mark Gorbett stated it was. Commissioner Lienhoop stated that the Rainy Day Fund had been holy ground to the Council and they had stated that they weren't going to touch it. Jorge Morales stated that they had to due to the Benefit Trust that ran out of money. Commissioner Flohr stated that if we don't have the money, we don't build the building. He could see the \$2 million going back to Rainy Day and would hope the \$300,000 Telecommunication money and the \$300,000 CEDIT money would go back to those funds as they are going to have to pay rent, demolition and other fees. Mark Gorbett stated that there needs to be some long range planning as far as new buildings and funding. There needs to be a funding stream for future buildings. He is going to make a motion to add a Public Safety Tax. Jorge Morales believes that both bodies need to work so that the employees don't take the hit. The Council has the financial responsibility. Every department has looked at their budgets and cut what they can. Chairman Kleinhenz stated that we have 380 full-time employees but 10 years ago there were only 315. We have increased the employees without increasing the revenue. Chris Ogle stated that they had asked all departments to flat line their budgets; how will the Commissioners do this. Chairman Kleinhenz stated that if they have the control they had prior to the "manipulation", they may even be able to do better than flat line. Jim Reed stated that we need the Cumulative Capital Development Fund. If it was put in place, in 4 years they could pay cash for the Annex. They are looking at a new Highway Garage. A CCD fund is future planning. Judge Heimann spoke. He said that yesterday the Council told them it would take 88 employee layoffs to make up to the deficit. The

Council stated that was not said. Judge Heimann stated that the number was given by the Council in an open meeting. There was discussion of cutting hours. He won't be here after next year so he is here for the employees. He was asked what would happen if they shut down the Youth Services Center. They took 11 kids away from their parents yesterday. He said that the Healthcare is the 800 pound Gorilla in the room. He doesn't see how the numbers come out. If you divide the number of employees into the \$5.7 million then it is \$15,000 per employee. Where did the \$24,600 number come from and why are we required to put that amount in the Healthcare fund. He had looked at the cost of living of healthcare. The healthcare inflation has been around 3% over the past years. He looked at the City plan. The City pays \$11,340 dollars on the average for their employees. He looked at the contributions by City employees compared to our employee contributions. He is not saying the Commissioners are making us pay the extra money, but someone is telling us that is what we need to pay. Government is a service organization. We serve people. He asked the Council members about being treated as an employee. If we cut hours back we are doing away with the middle class. This is not the Council's responsibility nor is it the Commissioners responsibility. After a trip out West, he has learned that this problem is a community problem; it is a joint problem. He is sorry to lecture but this is way too important. US News & World Report stated a couple of weeks ago that since the implementation of the Affordable Care Act, premiums increases have slowed. Politico stated that Healthcare costs are expected to rise 5.8% in the future but projected heights remain well below expectations. There is a difference in

overall cost and a rise in an individual cost. He is not trying to scold the Commissioners or the Council, but he is very upset that we have come to this point where it is being tossed around. The employees are the ones that don't have this information or the ability to make the decisions. Treasurer Pia O'Connor spoke with Judge Heimann yesterday. She has gathered the information from the School Corporation. As a former School Board member, she was present when the school went through the same issue and had to use their Rainy Day money to fund their insurance. The first thing the Board did was to give up their own insurance. Currently the School family plan is \$16,200 with a \$3,000 deductible while the other family plan is \$18,300 with a \$1,500 deductible. Employee costs are 13% and 22% respectively. She just wanted to provide the information of the School Corporation. Bill Lentz appreciates all the input. He had seen Vaughn Sylva (*BCSC Financial Officer*) and he told him they had used a free consultant from the State. Treasurer O'Connor stated they are still using that person and she can get his information and provide it to them. Bill Lentz stated that yesterday they were mentioning the number of employees it would take to fix the deficit. They were just throwing out ideas of things that could be done to fix the issue and fix it for the long run. Commissioner Flohr stated that they have talked about 2 things today. The Annex can be put on hold. For the insurance, they need a number and they will come up with a plan that fits that amount. Mark Gorbett said they have to trust the numbers that department heads come in with as the best number available. Jim Reed stated that one "State" employee has an \$8,000 out of pocket insurance cost per year. Judge Heimann stated that he does not support the

November 12, 2015

Council giving up their insurance as he does not want to make it personal, but it is personal to the employees. Bill Lentz would like to give the Commissioners time to review their budget. Chairman Kleinhenz stated that they can do that and come back. Bill Lentz wants them to find out what Cummins says about the Architect fees. The Commissioners will meet with them later today or tomorrow. It was determined they would come back at 3 today. Jim Reed told the Commissioners it is not personal. Chairman Kleinhenz stated they know that. Sheriff Myers appreciated the Council and Commissioners for having these hard discussions. He wished it had been done in the beginning. Hard choices have to be made. They may have to raise taxes; they may have to lay off employees. The County employees have had a lot put on them in past couple of years.

- - LUNCH BREAK - -

The hearings were reconvened. Chris Ogle used the whiteboard to show all income and all expenses for the County for 2016. There was much discussion regarding the budget. County General income was placed on a board. The total income is \$16,605,000. On the expenses side, the amount was \$20,580,000. The difference is the shortfall.

Auditor Hackman explained that a County Wheel Tax would collect \$1.5 million from 7,103 large vehicles and 73,407 passenger vehicles. That information was based on 2008 information. She suggests they go department by department.

The following numbers were arrived at after review:

• OEP (001-18)	\$ 144,868.00
• IT (001-41)	\$ 847,086.00
• Treasurer (001-03)	\$ 233,913.00
• Clerk (001-01)	\$ 467,854.00
• Voter's Reg (001-22)	\$ 88,548.00
• Election Board (008)	\$ 250,110.00
• Clerk 4-D (682)	\$ 24,534.00
• Recorder (001-04)	\$ 151,465.00
• Recorder Perp (504)	\$ 30,000.00
• Recorder Sec (509)	\$ 15,000.00
• Sheriff (001-05)	\$3,473,038.00
• Jail (001-32)	\$2,830,461.00
• Surveyor (001-06)	\$ 313,325.00
• Drainage (001-19)	\$ 11,575.00
• Cornerstone (015)	\$ 30,095.00
• Coroner (001-07)	\$ 93,463.00

At this point, the Commissioners returned for more discussion. Chairman Kleinhenz stated they have been meeting and discussing their 2016 budget. Flat lining their budget will save \$200,000. They would ask for some flexibility in the 400's. Laura DeDomenic stated that everyone flat lining puts us at a \$3.9 million dollar shortfall.

November 12, 2015

Chairman Kleinhenz stated that if they want to “delay” the Annex then they need to know in the next 30 days. If they want to “kill” the Annex then they needed to do it yesterday. Laura DeDomenic asked what expenses they will have with the rentals. Chairman Kleinhenz stated that the contracts for rent are for 1 year with a 6 month extension possible. They have the demolition costs that they will have numbers in the next 2 weeks. Commissioner Flohr stated that they may have to repay the architect fees that are around \$100,000 as of now. Commissioner Kleinhenz stated that the Benefit Trust will need \$6.2 million to keep it as it is. To flat line it at \$5.7 million will require changes to the employee portion of the plan. They have only 2 sources of income for the plan. That could be deductibles, co-pays and employee contributions. Laura DeDomenic stated that based on the information provided by Judge Heimann and Treasurer O’Connor, she has figured \$7,500 for single and \$15,000 per family. That calculates to \$4.2 million. Chairman Kleinhenz stated that single employee cost is \$659 with no reserves. The school corporation is funded at 80% and they have \$11 million in reserves with an employee cost of \$763. Kathy Dunn, of Dunn Associates, stated that budgeting and funding can be 2 different things. We need to compare apples to apples. The school has the \$11 million in reserves. She explained there is a new law in 2015 that maximizes out of pocket expenses of the employees. For 2015 these amounts are single at \$6,450 and family \$12,900 and in 2016 the amounts are single at \$6,600 and family at \$13,200. Chairman Kleinhenz read the Cobra amounts for family. Chris Ogle asked if we could only charge \$111 prior to being assessed a penalty. Ms. Dunn stated that was correct.

She stated that to meet requirements, you have to have one plan on the table that meets affordability and Federal requirements. Commissioner Flohr asked where the \$24,600 figure came from. Auditor Hackman stated that the amount was \$22,860 plus 10% for the total. Last year, most departments budgeted for “actual” amounts, not all family. These numbers are for the departments that pay back. This is not for the departments that are now paid from CAGIT. The \$5.7 million was a set guaranteed number instead of changing numbers from change in employees. The guarantee was set at \$475,000 every month. There are still 3 components that make up the insurance. Commissioner Flohr stated they had wanted the guaranteed number because the Trust was not receiving consistent payments due to the changes in employees. Mark Gorbett stated that in Ed Reuter’s budget his insurance went up 100%. Auditor Hackman stated that he budgeted as all family and the Auditor’s Office cuts it yearly. Currently, the employee contribution collects \$329,000 and doubling it would be \$658,000. Commissioner Flohr suggested that we hire the person from the State that Treasurer O’Connor had mentioned that BCSC has used. Chairman Kleinhenz believes we are getting a very good deal for what we are paying. President Pence stated that having another set of eyes look at this would not hurt and would make everyone feel better. Chris Ogle stated that they said they have flat lined the budget by cutting \$200,000. But last year there was \$5.7 million in CAGIT. He stated that Auditor Hackman had paid \$2.4 in to the Benefit Trust fund and the remaining to pay bills. Commissioner Kleinhenz officially requested that the Commissioners budget go back to the way it was before. Auditor Hackman stated she could do that.

November 12, 2015

Mark Gorbett does not want to point figures but we are \$3.9 million in the hole. We either need to reduce services or raise revenues.

Maintenance Director Rick Trimpe came back in. President Pence stated that due to the financial situation, they asked if he could not fill his current open position. Director Trimpe was okay with that but asked if they were going to do that across the board including the Jail. Sheriff Myers stated that Public Safety is a requirement. He was elected to protect the community; drugs are on the increase. They are 24/7 365 dealing with lives. If they cut his budget, he will cut services. If he doesn't get his Clerk, he will do away with the Work Crew and bring that person in as the Clerk. Public Safety is a priority. He is not mad at Mr. Trimpe for his comments.

- - RECESSED FOR THE DAY - -

Meeting was reconvened at 9:00 a.m. on Friday, August 21, 2015.

The first item on the agenda was Brenda Mijares, Office Manager, from the Prosecutor's Office. The Council has put them back to the 2015 figures. Office Manager Mijares stated that they could cut out the shredder. The Equitable Sharing Fund is money from seized items and they only get a very small portion. Child Support has a shredder but they are not allowed to use it as it is from reimbursable funds. Clerk Phelps stated that they have shredder that the Prosecutor can use at any time. Chris Ogle stated that nickel and diming the 200's and 300's is not going to get us anywhere. Keith Sells (*former County Councilman*) was in the audience. They took the 3% raises earlier and

November 12, 2015

the \$3,000 has now been removed for the shredder. Pre-trial was looked at but that is not County General. They are asking for \$87,500 but only have \$62,000 in the account. They believe they will have enough after more collections. Four-D is a 66% reimbursement and nothing else can be shifted to or from this account. Prosecutor Nash receives only \$5,000 from the County for salary; the rest is from the State. They cannot remove the \$5,000 until a new Prosecutor is elected.

Next was the Code Enforcement. The only increase was to replace the 20 year old chairs. No additional changes were made leaving it at \$457,914.

Next was the Co-Op Extension Office. They had submitted a bump in Professional Services from 61% to 75%. They have removed that. The total was \$206,608. They had also removed the work study program at \$3,000.

Next was the Park Board. There is an increase in repairs and maintenance. There was \$10,000 in the budget for the restrooms which the Council suggested that they talk to the Visitors Center. They also have \$5,000 for Ash Tree Removal. Auditor Hackman stated that some of their expenditures could be paid out of their non-reverting fund. All the park fees are deposited into the non-reverting fund that does not come before the Council. There is \$50,000 in their non-reverting fund. It was determined to take the \$5,000 out of County General and have them use their non-reverting fund. They have \$5,000 in this year for tree removal and have only spent \$950. There is no money in the 2016 budget for the restrooms, leaving it at \$157,332.

Next was the County Council. Bill Lentz asked if they could cut the amount for Waggoner, Irwin & Scheeley. Auditor Hackman stated it is an ongoing contract and has not increased over the years. Auditor Hackman calls them about once a week. WIS also helps with new laws and updates regarding personnel issues as well as updating the job descriptions.

Next was the IT Department. There are two open positions, one of which will be filled. Craig Pekar, Zak Holt and Katherine Williams were present from the IT Department. Magistrate Joe Meek, President of the Data Board, was present. He was asking them not to cut the open position. He feels that cutting one position will cut the efficiency of County Government. If the computers go down in the Court House, they can't do business. If the phones go down, they can't do business. Cutting this staff will hurt the ability of the department to respond to these situations in a timely manner. Jorge Morales asked about the wi-fi costs in the Circuit Court budget. Chief Deputy Auditor Beatty stated it was for use outside of the Court House. Jorge Morales asked if the IT staff had been involved in the hiring process for the new IT Director. Magistrate Meek stated this was the first they had heard that an offer had been made. They were in no way involved in the process. Mark Gorbett stated we needed to get back on topic. Hiring is a Commissioner function and he doesn't think the Council should be wasting their time with this stuff. They are here for the budget and that is what they need to concern themselves with. Laura DeDomenic asked if one less staff would affect their response time. Jim Hartsook, the former Director, stated that you would probably see a decrease

November 12, 2015

by about 20%. The staff will have to be on-call more often. It is already tight with 5 people. The City is half our size regarding what we cover. They have 3 full-time employees and they outsource network and website, while the County does that all internally. The City spent \$60,000 in network outsourcing a few years ago and then they have to wait for someone to show up. The Sheriff's Department and 911 has and will always go to the top of the list, but it is the other offices and departments will suffer. Clerk Jay Phelps spoke regarding the IT Department. From the Courts perspective, they have to print out checks daily. They have to rely on IT to keep it going. They also use State wide software for Child Support which requires constant IT assistance. He is all about saving money, but the level at which the IT Department is kept busy shows they should not cut the fifth position. Laura DeDomenic asked about return on investment as to new software would it allow us to cut in other departments. That is up to the department heads, not the IT Department. Jim Hartsook stated that outsourcing is a way they could go. Miami County uses outsourcing. He knows they were without computer access for 11 days last year. Mark Gorbett stated this is a big problem County wide. He knows what IT does but he does not believe they are in a position to tell departments what their staffing needs are. Chris Ogle stated that it is not this Council's expertise. Magistrate Meek stated that point is well taken, but IT needs to be fully staffed. President Pence stated that a Six Sigma review requires 180 days to complete. It was stated that Jim Hartsook will be here working on Election Day.

Sheriff Myers spoke regarding the Six Sigma studies. He asked if they were ready for them to come back with results that they need additional employees, not cutting employees. It rubs him wrong that we talk about Six Sigma studies when Mark Gorbett never raised a line item in 8 years. But now, we are paying for that. Bill Lentz stated that they go through the line items every year. But currently the Health Insurance is the big problem. The Commissioners stated they need \$6.2 million. Not getting the additional \$600,000 will result in \$6,000 deductibles for the employees. Sheriff Myers stated that keeping the line items the same cannot continue. President Pence is thinking that if the results of a Six Sigma might say to reduce this office staff while increasing staff in another. Sheriff Myers stated that the City does not go through the line items. You have held the department heads accountable. President Pence stated we need to possibly look at contractors instead of employing full-time personnel with benefits. Laura DeDomenic asked about the employees taking out their own trash and sweeping their own floors. Sheriff Myers stated that will put even greater burden on the department employees. That would result in changes in the services he will be able to offer. He is stating that everything needs to be on the table, yet he sat here yesterday and heard Council members state that they will not raise taxes. Bill Lentz stated that they have added the CEDIT, the Miller Estate money and money from the Rainy Day. Health Care is what has eaten up the money. Sheriff Myers stated that it is difficult for the employees when you hear a Commissioner and several Council members' state that they will not raise taxes. You can't continue to provide the services with costs increasing

without increasing the revenues. He is changing all their shotguns to less lethal. Jorge Morales stated that after what he has heard, he feels there needs to be some leadership and he will do that but he wants to see where they end up. Sheriff Myers stated that the Council has said no to several departments for years. They are at 4 deputies on the road when studies show they should have 5.5 deputies. Bill Lentz stated they did not cut his budget. Sheriff Myers stated he appreciated that but we can't continue on without increases. Keith Sells stated that the Sheriff's Department vacations made Cummins look pathetic. Mark Gorbett stated that he had taken care of that by cutting it and he got re-elected. Keith Sells stated that it is the Council's budget to cut as the department heads will not come in here and tell them where they can take a cut. Clerk Phelps stated that he does not know how we can continue to operate with less funding. The State has pushed things to the County without funding. Mark Gorbett stated that we have under-funded things for years and we are now at the end of that capability. Clerk Phelps asked how much money was raised by the County auction. It is about \$9,000. He suggested using e-bay or another means as he has equipment that will not bring a dime at a County auction but if it were on-line, someone would pay for it. Auditor Hackman stated that they have tried that with Will Norris from her office mostly with computer equipment. Clerk Phelps stated that the copy fees should be raised. That is set by the State that it has to be what it cost to create it. Clerk Phelps asked about grants. Laura DeDomenic stated she had found a grant for body cameras and sent it to Sheriff Myers. Jorge Morales stated that going line for line will not get us anywhere. The Council and Commissioners

are going to have to work together. Health Care is an issue, but so are the appeals. They need to figure out how to cover those items. He believes that they are beyond the old process of line by line. He stated that the new process is to work with the Commissioners and have the Health Care out for bids. Chris Ogle asked how much realistically they could save; a million dollars? Not with the current plan. If you change the plan then the employees are paying for the County's deficit. Mark Gorbett stated that in reality it will go back on the County employees' backs. Bill Lentz stated that in 2008 they did no additional appropriations and they came out fine. Chris Ogle stated that that makes no sense because even with no additional appropriations we will be broke at the end of the year. Bill Lentz stated that he is the only one that has enacted a tax. There are 76,000 people in this community and maybe he should not be here, but he received push back after the tax increase. Sheriff Myers stated that he is a good man and he raised taxes and got re-elected so the people know it was needed. He (Sheriff Myers) was elected to protect the citizens. President Pence asked about the Clerk in the Sheriff's Department, could it be a contract employee. Laura DeDomenic stated that if we tell them when to show up, what to do, here is the equipment to use, then they are an employee and we will be fined. President Pence asked if when they meet Medicare age; can the County have them step off the County plan? Sheriff Myers stated he would come back and have an open discussion with them regarding President Pence's question.

- - BREAK - -

The Budget Hearings reconvened.

November 12, 2015

Bill Lentz asked about a clarification to change his First Deputy. He wanted to make certain that it was enacted that way. That allows Clerk Phelps to go forward with that change. Jorge Morales made a motion to allow the Clerk to implement the title and salary change for Dustin Renner. Jim Reed seconded the motion which passed 6-0 with Bill Lentz abstaining. Jorge Morales made a motion to change the Salary Ordinance to reflect the approved change. Chris Ogle seconded the motion which passed 6-0 with Bill Lentz abstaining.

Next was the Auditor's Office. It was flat-lined at \$411,235.

Next was Debt Service. There was a reduction due to refinancing.

Next was the Elected Officials Training fund for required training.

Next was the Weights and Measures Office. Longevity was and the raise was cut out leaving it at \$46,460.

Next was the Assessor. There was a reduction resulting in \$297,882.

Next was the Reassessment Fund. It is not County General.

Next was the Maintenance Department. In 02-30 there is a reduction. Has the employee been removed? They asked him not to fill it but they haven't decided to not fund it. They decided to leave it at this point until further into the process. Mark Gorbett believes that the 200's and 300's need to be reduced to the 2015 money by the \$15,000 that they were increased leaving it at \$1,253,847. It was suggested to give the \$5,000. They are gaining two buildings for utilities and losing the old building. It was

determined to take another five out, leaving a total of \$10,000 more for a total of \$1,263,847.

Next was the 911 Center. The shortfall was added at \$270,000. In the 911 Supplemental there is not enough revenue generated. This is the 55/45 split with the City. There was much discussion regarding the amounts taken from the CEDIT and Riverboat fund. President Pence suggested the split be reviewed. Chris Ogle stated that he had set in on several of those meetings and doesn't believe that will fly. Auditor Hackman stated that \$570,000 is comprised of \$100,000 for maintenance and improvements on the building. It was clarified that they wanted to know how much they receive. It is \$1,900,000. She needs to review that as it is a complicated formula. Laura DeDomenic asked if the Council chose to do the Public Safety Tax, could they renegotiate the percentage as it would be money. Yes it could be revisited. Several conversations ensued. Laura DeDomenic stated it made the Public Safety Tax more palatable to her if they could have the City pick up the County's portion of the shortfall if the tax was enacted. Auditor Hackman stated that she would have Dan Eggermann look into this. One portion of the Statute discusses that if other units wanted money they would have to appear before the Council. Mr. Eggermann will be in later today, but he is in transit from Florida so he will be fresh off the plane when he gets here.

Next was the 911 Statewide. He budgets the high using family for all and the Auditor usually cuts it closer to actual amounts from the past year. It will stay at \$215,000.

November 12, 2015

Bill Sylvester, with APEX, had contacted Auditor Hackman and wants to talk about reviewing our health insurance. They hosted a webinar that we took advantage of because nothing was presented by our insurance provider. Last year, it was Bill Sylvester that informed the Auditor of the change with the part-time that had we not reacted, it would have cost us more for insurance on those employees. Clerk Phelps stated that as a member of the public, it just looks bad that there is no bid process or outside source looking at the insurance plan. Jorge Morales stated that after we get information from APEX then we fund that amount. Chris Ogle stated that there are employees in the work force today that are working only for the health care.

It was decided to reconvene at 1:15.

- - LUNCH - -

The meeting was reconvened.

Carolyn Massengale, Accounts Payable/Receivable Administrator for the Auditor's Office had a few comments she wanted to make. She has some questions that she wants to give as thought provoking County wide, not just Council or Commissioner. Have they determined what age group is causing the health care issue? Chris Ogle stated that they cannot take away insurance. They were thinking of a package to reduce the workforce that would make it cheaper for the County to operate. We do pay more for the older workforce as twenty year olds cost less for insurance than a sixty-five year old does. Laura DeDomenic re-stated Chris Ogle's answer. Mark Gorbett thinks we need to reevaluate the DROP program for the Sheriff's Department. President Pence stated that

she did not know what age Medicare kicks in, but when it does then Medicare should be their first insurance. Laura DeDomenic stated that was not true. The work insurance would be primary with Medicare as the secondary. Ms. Massengale's father is a retired Cummins employee in his 90's. She found out that he is double insured. With that information, she wonders how many elected employees are double or triple insured. Her dad has Cummins insurance and Medicare. Mark Gorbett stated that he believed the working spouse rule had changed very much over the past years. Ms. Massengale stated that she is on her husband's insurance, not on the County. He does not work for Cummins. She asked about the Youth Services Center. She spoke with Pam Clark and stated that the best youth detention centers also have juvenile court and juvenile probation in one building. It was asked if we could combine ours as that should be more cost effective as well as it would keep the juveniles away from the adults? Ms. Massengale stated that she sees a lot of political jostling going on here. She keeps hearing that we have exhausted their resources. She asked how many of them to look at what have been paid out via the County website. It is on the County website under the financials tab. The Council receives a monthly statement but this shows the every two week breakdown. Jorge Morales does not understand how that would help the Council. It was stated that they could review the payouts and then attend the Commissioner's meeting if they had any issues with the expenditures. Chris Ogle stated that he understood part of what she was stating, but he questioned if the Additional Appropriations were in this. It was stated that they are. It is just more specific listing of

items that are being purchased. If he looks at the register, what will he see? The page was brought up on the projector to show the Council what is available. There was discussion and explanation as to how to view the information on the website. Ms. Massengale stated that she has been here for quite a few years and only one taxpayer has ever asked for information regarding expenditures. Bill Lentz stated that it is hard to change something that is in the works as an individual. There needs to be a collective of people in order to get change made. It is hard for him to go to an office and tell them that what they are doing is wrong. Ms. Massengale sees County waste from her position. She sees it in every building. She stated that instead of political jostling, they need to think about this. She knows that the State has contracts such as with Staples. Laura DeDomenic stated that if the Auditor has \$1,000 for office supplies and then buys paper for \$103, can the Council tell her she can't have the money? Chris Ogle stated it is more to see that 5 different office supply companies that are being utilized where maybe it would be cheaper to go with one supplier. The City did have a purchasing agent, but it was done away with after a year or two. Jim Reed stated that if they asked them to do this, then the Council is micro-managing the department. There is a vendor out there that will come in and see if we could purchase items in bulk and save money for the County. President Pence suggested that someone with time say the Treasurer's Office could compile a list and then once a month do an order in bulk that would save money. Jorge Morales asked if the website would show a year to date of how much was spent to a vendor. Ms. Massengale stated that it could be done in the Accounting Department but

not on the website. Jorge Morales asked if they could give a year-end report per vendor. Ms. Massengale stated they could. Jim Reed asked if they are now able to pay the credit cards on time now. Ms. Massengale stated that had been corrected. Jorge Morales asked if Consultant Eggermann was in Indiana yet. It is not known. Ms. Massengale had one more comment. She stated that all of us as County employees will do what we can to trim the expenses, but she as a taxpayer would gladly pay a LOIT Public Safety Tax. She wants the Sheriff, Fire and ambulance to show up at her house when she needs them. Her final statement was a quote by President John F. Kennedy – “Things do not happen; things are made to happen.”

The Council continued on with the Youth Services Center. They have flat lined or decreased. There were questions regarding the over-time amounts. It was stated that they need to do their best at not giving hours to someone that will be getting overtime. There was some confusion over the number of employees. It was determined that the paper was incorrect. Jim Reed asked why we pay for part-time teachers. It was stated that we are reimbursed by BCSC. It was questioned whether they should come before the Council prior to filling open positions. There are 30 full-time employees and then additional part-time employees. It was stated that Director Brad Barnes salary is now in this line item so that is why any decreases do not show. Jorge Morales stated that if someone is paid from a grant, then they should be tied to that grant and if the grant goes away, so does the department. The first line shows Director Barnes and Director Biehl's amounts. Director Barnes is a Probation Officer and his pay cannot be reduced. Part-

November 12, 2015

time has gone down and over-time has gone up as they cannot keep part-time at a maximum of 28 hours. They had budgeted \$130,000 for part-time and have only spent \$11,400 to date. They use this money to move around where they need it for pay issues. Chris Ogle stated that they had done a good job of trimming the budget but they are tied by law as to how many people they must have on staff at any specific time. President Pence asked about the equipment repairs at \$4,500 coupled with the fact that they have a brand new vehicle. Chris Ogle stated that they had reduced pay costs by reducing part-time and controlling the over-time. He feels that Director Biehl has done a good job at controlling costs. They took out the Tires & Tubes (02-31) for \$500. And then in Machinery and Equipment (04-40) they reduced it. Food was discussed as the employees are fed. Ms. Beatty had worked there and she could not leave the building for lunch. The Jail is the same way. Dalene Pattingale, Matron for the Sheriff's Department, stated that they have their employees pay \$2 to purchase a meal ticket. This has been brought up before. It is felt that they should have to pay at least a minimum amount. Jorge Morales and Evelyn Pence have visited in the past years and saw outside food being delivered. Ms. Beatty stated that some of the workers do have to eat with the kids. They do either eat the food from there or they order in. It was decided to cut the food back to \$55,000. They discussed the 04-40 there were no changes. Jorge Morales asked if part of the conversation they were going to have with the Commissioners was to include Dan Eggermann, our financial consultant. Auditor Hackman stated that it was and that Mr. Eggermann would be here between 3 and 4 today. It was determined to take \$3,000 out

November 12, 2015

of the 04-40 line item in the Youth Services Center. The Youth Services Center total was now \$1,516,091.

The Council moved on to discussions with the Commissioners. Commissioner Chairman Larry Kleinhenz was present. They were going to go line by line through the Commissioners budget. Mark Gorbett stated that yesterday was a little contentious and we need to work together through this issue. Chairman Kleinhenz stated that he thought yesterday that they were flat-lining. They reviewed the first page. Mark Gorbett asked about the \$1.1 million retirement and the \$900,000 for Social Security. Last year it came from CAGIT and next year it will be coming out of County General. The County Administrator line item is divided between the 2 employees. Gas and oil will be paid out of CEDIT. Bill Lentz asked about cutting back on the gasoline line item. Chairman Kleinhenz stated that it is hard to guess what fuel will cost next September. He believes that amount is a good average. President Pence asked about the mental health line item. It increased but it is set by the State. Attorney Monroe stated that the amount cannot be changed, but there may be some maneuvering room as to the contracts. The mental retardation amount goes to DSI. It is not a requirement, but he believes that DSI does an incredible job with an issue no one else wants to deal with. Laura DeDomenic asked why the care of inmates is in the Commissioners budget, not the Sheriff. Chairman Kleinhenz stated that the number use to be large, but it is for expenses above and beyond so it is a minimal amount. Laura DeDomenic asked about the Not-For-Profits. She had heard that it has been reduced. The Council started reducing it by 10% last year. President Pence

November 12, 2015

asked about Soil & Water, last year was \$60,000 while the year before was \$35,000. Auditor Hackman stated that part of it had come out of CAGIT but now is paid out of the Commissioners. Part of it is salary and part of it is rent. President Pence asked about repairs and maintenance (03-61). It has been flat-lined. Chairman Kleinhenz stated that is for an a/c that breaks or a broken door. They can cut in the 400's but they just need enough to move around in the event that something breaks. Bill Lentz asked if we have checked on liability and workmen's compensation insurance. Richard Hawes is the agent for IPEP and Bliss McKnight. They will check into this. It is believed that Richard Hawes reviews this to make certain we are getting the best rate. Workmen's compensation is tied to the number of workers that are employed. President Pence asked about the Agency on Aging increase. Chairman Kleinhenz stated that it was \$4,500 last year and has been flat-line. Cathy Dunn of Dunn and Associates was present. Chairman Kleinhenz had nothing to discuss as he was here to listen to what Mr. Eggermann was going to advise the Council regarding the budget. They have started work on insurance reviews. Mark Gorbett asked about where the CREDIT money is spent. Chairman Kleinhenz explained that the 15/16 plan specified \$569,000 for Public Safety, \$100,000 to replace money in their 400's, \$750,000 for the Annex, \$15,000 for the Economic Development Board seats and \$479,000 to Highway for roads and streets. Auditor Hackman had presented this to the Council. They have just amended the plan by raising the Highway amount and lowering the Annex amount. Mark Gorbett stated that the Commissioners are going to have to help out from this account. For himself, he does not

see where the revenue will come from for the Annex anytime in the future. Other than architectural fees, we won't be out any funds. They will need to tear down the existing building. Chairman Kleinhenz stated that unless there is an appetite to bond, he does not see it happening in the next 2 to 3 years. He hates to scrap the project at this point, but he doesn't want to do it at the expense of the County employees. They have a plan they could continue with, without proceeding with building the structure. Bill Lentz stated that in his opinion that we have to see what feedback we get from Cummins (*who has paid for the architecture fees to this point*). Chairman Kleinhenz stated that if we are not going to ever build the building, then we need to stop the project now, before wasting another \$200,000. Auditor Hackman stated that the Council needs to make the decision. It all hinges on whether or not the Council will bond the building. Chairman Kleinhenz stated that that decision could be made in November or December. He believes the Commissioners are willing to help with the CEDIT funds. He would appreciate a number from the Council as to the amount they need to make everything work. They would like to spend \$500,000 for the roads. Be good to the employees and be good to their budget. They could do about \$1,400,000. The healthcare issue would be the other undetermined amount. Chairman Kleinhenz stated that if we stay at \$5,700,000 then they will have to make drastic changes to the health plan which will cost the employees about 4% in their checks. Cathy Dunn stated that the ACA has a lot to do with this. Jorge Morales asked if we can have a health savings account (HSA). Ms. Dunn stated that even an HSA must meet the out-of-pocket expense of employees. Chairman Kleinhenz stated that we have

to increase the revenue while decreasing the outlay. Based on revenue we need to be at about 360 employees. That number would save the County about \$2,000,000 with payroll and all the benefits. Mark Gorbett asked if they wanted to reduce the workforce with an incentive plan, who would administer it. Chairman Kleinhenz stated he believes it would be the Commissioners and the Auditor. The Job Review/Classification Committee only makes recommendations, they have no authority. He believes we can use attrition to get to 360 employees over the next three year and that way you protect the existing employees. Mark Gorbett stated that the Council had asked IT and Maintenance not to fill a position they each have open. It can be argued that both of those positions are needed, but if you can't pay them you can't hire them. There was discussion as to what amounts could be lumped into the different funds of CAGIT, CEDIT and Riverboat. It was explained that any item in the Commissioners budget that is zero this year is to be taken out of CAGIT this year but was paid from County General last year as the CAGIT was used only for the insurance.

- - BREAK - -

The meeting was reconvened.

Financial Consultant Dan Eggermann was here to present information to the Council regarding the 2016 Budget. Mark Gorbett and Chris Ogle explained that they had flat-lined the 2015 numbers. On the board they had tried to show all income and all expenses. Mark Gorbett explained that they had talked about the Annex. They have since decided to put that project on hold as they had decided not to bond the project. It is

his understanding that the only additional revenue they can create is the Wheel Tax or the LOIT Public Safety Tax. Mr. Eggermann stated that was correct. Jim Reed asked if the Council could receive more of the LOIT Public Safety Tax by not giving it to the Townships. Mr. Eggermann looked last night and believes that 19 of the Counties have a LOIT Public Safety Tax. He believes that is because the State calculates the amount based on the County, Cities and Incorporated Towns. The amount that is divided up would be determined the same as CAGIT. CAGIT is distributed after reducing the amount by \$5,000,000 for PTRC. The total distribution for a LOIT Public Safety Tax, as it is based the same as if you added the PTRC to the amount. The Abstract Levy determines what the distribution is. The County would receive \$2,058,482. The City would get \$2,838,582 while Clifford would receive \$1,203, Elizabethtown would receive \$471, Hartsville would receive \$2,184, Hope would receive \$29,000 and Edinburgh would receive \$118,000. It is only about \$100,000 difference if you figure it without the PTRC calculation. Mark Gorbett asked if the Council does not adapt a new revenue stream, what will happen in January 2016. Mr. Eggermann stated that they would receive a Budget Order that would make you cut so much money. They have used up all the cash reserves in one fell swoop over the last 2 years. Jorge Morales stated that if we implement the LOIT Tax but don't fix the problems, they will be in the same budget a year from now. Mr. Eggermann stated that they would have to fund the same budget every year. Anything else that came up would be an issue. Mr. Morales noted that since they are going to utilize the CEDIT this year then we will have the same issue. If they

underfund the Health Trust, then it would be a hit to the employees of approximately 4%. Mark Gorbett noted that is an option, not a decision yet. Auditor Hackman stated that Mr. Eggermann is stating that the DLGF would keep us at \$17,000,000 but this year we are looking at \$21,000,000. Our cash reserves of \$5,000,000 that we started the year with are gone. If we stop the Annex project, then we will have a reserve of \$1,000,000 on January 1, 2017. Mr. Eggermann stated that is dependent on the levy they allow on other funds. In 2014, the Reassessment Fund needed an additional \$300,000 and the Health Department needed an additional \$930,000. That is \$1,200,000 that the County General cannot receive, based on the levy control. He explained that the normal maximum levy at \$14,461,199 is what gets the 2.6% growth quotient that would be about \$14,838,000. Tax caps hit every fund. DLGF allows all the funds that the Council appropriates and make up any differences in the County General Fund. The Maximum Levy includes all the Funds. If you look at the normal maximum the only increase you get is the about \$376,000. He explained that they have no CCD Fund. That is part of the miscellaneous changes. The amount that we are allowed outside the levy is \$694,000 that is included in the \$1,300,000 which gets us to \$16,223,000. That \$16,223,000 has to fund the General Fund, the Election Fund, the Reassessment Fund, the Cumulative Bridge Fund and the Health Fund. The Council has to decide how much to put in each Fund and whatever they put in those funds come off the General Fund. Those other funds will have end of the year balances so they should not need as much money. They need to look at those first to determine what they need to receive which will tell you what is left for the County

November 12, 2015

General Fund. Laura DeDomenic asked about the Health Fund and whether they could reduce the amount requested of \$1,500,000 and reduce it by the \$521,000? Mr.

Eggermann is unaware as to whether they had any encumbrances. They would need to allow them \$1,200,000 to fund their budget for 2016. Chris Ogle stated that \$1,498,000 is what their budget is, if their budget was only \$1,300,000, where would the additional \$100,000 go. Mr. Eggermann stated it would go to the other funds. The Health Fund had a decent reserve but due to the General Fund needing more of the Levy so they have spent their reserves down while that occurred. DLGF only looks at what the Council does and leaves them alone except for the County General Fund. They are required to have a Reassessment Fund. If you did not have the Reassessment Fund, then it would all come out of the County General by Statute. Laura DeDomenic stated that if they lowered the Health to \$1,200,000 then the \$300,000 would go towards County General. Mr. Eggermann stated that is exactly how it would work. It is the opposite of what they have been thinking. They could lower the Health Budget levy to \$1,100,000 to break even. That would free up some levy for County General. The Election Fund and Reassessment Fund are also funds they could make changes in to receive more Levy for County General. There were multiple conversations going on at the same time making it impossible to distinguish what was being said. Mr. Eggermann stated that the Election Fund just depends on how much money they need for next year's election. They shut off the Election Fund several years ago because of the balance in the fund. Debt Service is whatever it takes to pay the debt. Auditor Hackman stated they could reduce the Health

Fund and then adjust the rate for the Election Fund. The Election would end with approximately \$284,000 if they spend their entire budget. They want \$250,000 so that leaves only \$30,000. The only fund that has any flexibility is the Health Fund. In 2017, if they put a rate on for Election then that fund will receive money in 2017 to the detriment of the County General. Jim Reed asked what other Counties have done in this situation. Mr. Eggermann stated that some have laid off employees. Other Counties have used a not so savory method. A County decided not to Fund the Sheriff's Department at all. So the Sheriff sued the County for the amount of money needed to Fund the budget. The Circuit Court told the Commissioners to borrow the money and that is what they did. They continue to borrow the money every year and pay the interest on it as it is a debt and the debt has to have a rate to pay for it. In this case it was \$7,000,000 and the rate was put on to collect the principal and the interest in one year as Debt Service is outside the Levy. Mr. Eggermann stated that you can split up the \$16,000,000 anyway you want to. Circuit Breaker is more than the growth quotient. Chris Ogle stated that we met the amount we were supposed to have, but we had extra expenses that we had not and could not have anticipated. If they delay the building then they will be back to leaving \$4,000,000 in the Rainy Day Fund. Mark Gorbett stated that we need to stop the bleeding and move forward. He sees only the LOIT Public Safety Tax or the Wheel Tax to create new revenues. There is the Cumulative Capital Development Fund but that is for the Commissioners to do. There is no current relief in any statute other than cutting expenses. Jorge Morales stated that the Health Fund and

the appeals are the problems that we are facing. Mr. Eggermann stated that without new revenue. Jorge Morales stated that he is opposed to new taxes. Mark Gorbett stated that we are just putting everything on the table. Chris Ogle stated that while they are looking at the insurance, they can only squeeze \$1,000,000 out of it by law. It will either be additional healthcare costs to the employees or the loss of employees. He would rather raise taxes than lay off people. Mark Gorbett stated that the LOIT Public Safety Tax would be a windfall for the City. He asked if they could control how much the City gets. The answer is no. Jorge Morales asked if they could negotiate with the City. Mr. Eggermann stated they could do an inter-local agreement with the City that would be outside of the LOIT Tax. Mark Gorbett asked if they could do an incentive program to reduce the work force. Attorney Monroe stated that he is not aware of anything that would prevent it. Jorge Morales stated that you cannot do that because if the 20 people in the Sheriff's Department take the buyout, the Sheriff will need to hire 20 people. If you cut the hours that are worked, the Courts backlog will only get worse so these are not solutions that will work. The other Council members then asked him what his solution is. He stated to cut expenses. It was pointed out that the departments have cut everything they can in the 200's, 300's and 400's which leaves on the 100's to cut and that is the employees. The increase in the Annuity portion of PERF caused some to leave and take the higher amount. Mr. Eggermann thinks the State has released some of the hoops to jump through on the LOIT's is because everybody is in this situation. If the Cumulative Capital Fund was adopted, there would be no increase in revenue and would actually

November 12, 2015

lower the General Fund by \$694,000 the first year. Bill Lentz asked about the Wheel Tax. All of that money would stay in the County and is based on the type of vehicle. It would generate approximately \$1,500,000 based on 2008 figures so it should be more now. It goes to Highway to improve roads. That is why they adopted the CEDIT not the Wheel Tax a few years ago. They could give the Wheel Tax to the Commissioners and then move the money from the Highway to the Rainy Day Fund. A Wheel Tax would be split with the City and Towns. The County would not get the \$1,500,000. It would be more like \$400,000. Most Counties expenses are personal services. One County gave twenty-five employees a pink slip in November and then re-hired twenty-three of them in February because they could not do the work without them. Bill Lentz asked how the other Counties have gotten back to good stature after the 2008 fall. Mr. Eggermann stated he is not certain that they are back to where they were. President Pence asked if the Counties with the additional taxes are good forever now. Mr. Eggermann stated that they are in better shape but if costs increase, they need to cut or find more revenue. He stated they may have to flat-line and find revenue. Expenses to cut are the personnel. The other funds have been cut to the bone. Laura DeDomenic would like more information regarding possible early retirement options that we would have. The next meeting is at 5:30 on Tuesday. President Pence would also like the benefits of contract employees versus part-time or full-time employees. Many conversations were going on making it impossible to determine what was being said.

The budget hearings were recessed until Tuesday at 5:30 p.m.

November 12, 2015

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