TIPPECANOE COUNTY COUNCIL MEETING
TIPPECANOE COUNTY COMMISSIONER MEETING
DEPARTMENT HEAD LUNCHEON
JOINT MEETING
February 13, 2008

The Tippecanoe County Council and Commissioners held a joint meeting at 12:00 p.m. in the Tippecanoe Room. Members present were Commissioners KD Benson and John L. Knochel, Council Members Thomas P. Murtaugh, Kevin Underwood, Andrew S. Gutwein, Betty J. Michael, David S. Byers, and Kathy Vernon. Also present were Greg Guerrattaz, Financial Solutions Group, Department Heads, Auditor Jennifer Weston, Attorney David W. Luhman and Secretary Jennifer Prange. Absent were Commissioner Ruth E. Shedd and Councilmember Jeffrey A. Kemper.

Mr. Guerrettaz, Financial Solutions Group, spoke to Department Heads regarding budgets. With pending new legislation, homesteaded property would not be taxes in excess of 1% of the assessed value; thus creating a shortfall in property taxes revenue. He encouraged Department Heads to review budgets and identify areas where expenses may be cut and areas where new revenue can be generated. Mr. Guerrettaz recommended a sustainability analysis with a 3-5 year budget projection. He strongly advised departments to establish user fees for services currently offered at no cost.

- Commissioner Knochel called the Commissioner's Joint meeting to order.

- Council President Murtaugh called the County Council Joint meeting to order.

- Councilmember Gutwein moved to approve minutes from the June 12, 2007 and October 9, 2007 Joint meetings, second by Councilmember Byers; motion carried.

- Commissioner Benson moved to approve minutes from the June 12, 2007 and October 9, 2007 joint meetings, second by Commissioner Knochel; motion carried.

Mr. Guerrettaz continued with an eight point discussion on the affects of pending legislation as follows:

<u>Operation Stay Afloat</u>

1. Residential Tax
   A homestead will not pay in excess of 1% of the gross assessed value. The amount lost by the county, as a result of the 1% cap, is not expected to be shifted to apartments and/or commercial.

2. The amount paid by the State for PTRC and Homestead credits will be eliminated.
   The elimination will drive tax rates up; therefore, the State will eliminate the School General Fund, Transportation Fund, County Welfare Funds and Juvenile Incarceration. In addition, an additional 35% homestead deduction will reduce net assessed valuation and increase the tax rate.

3. Circuit Breaker Increase
   The impact is estimated to be $250,000, for Tippecanoe County. The estimate was as high as $400,000-$500,000. The impact is spread over the units, based on the levy.

4. Personal Income Growth Rate to influence Property Tax Revenue Growth
   Revenue with spending caps refers to property taxes, local income taxes, motor vehicle excise taxes, the wheel tax, innkeeper's taxes, food and beverage taxes and county admission taxes. It is unclear, but the limit may apply to riverboat revenue and fee revenue. The balance left over (or not used) in one year must be used for property tax relief the next year.

5. Circuit Breaker Impact (1, 2, 3), what can the county do?
   On average, the tax required for Round One is .20 basis points (or a 1% tax will be 1.20%). The county has the authority to pass a Local Option Income Tax (LOIT). If an income tax rate is enacted on the county level and used to replace the circuit breaker impact on each unit and a school is disproportional because of a higher general fund rate, then you could have a majority of the replacement going to one geographic location.

6. Future revenue, where do we get it?
   In the event an emergency loan is needed by a township, raising the rate from 1.00% to 1.20%, the income tax rate cannot be increased by .20 if not for a circuit breaker impact. The county may have to obtain income tax bonds from here on out.

7. Introduce an Impact fee
   If the cost of community services shows that homesteads cost $1,500 per home, per year, and we only collect $1,000, per year, then the impact up front should be $500 times twenty years, or $10,000.

8. Will additional homestead credits be used for additional credits or other expenses?
   A homestead value of 35% is disproportionate depending on the value of the home which is capped at $500,000. A home value over $500,000 will not receive the additional homestead credit.

Adding a ninth point…

9. Eliminating Welfare Funds
   COIT and EDIT will decrease if the abstract levy is reduced

Mr. Guerrettaz reported the next month will be crucial and once more information is received Auditor Weston and Mr. Guerrettaz will proceed with a sustainability analysis. He stressed the importance of the 3-5 year budget and the impact the analysis would have on the juvenile center.

JUVENILE CENTER

Mr. Guerrettaz calculated an estimated annual bond payment of $1.8-$1.9 million considering a $20 million construction cost and $1.5 million in architectural/design costs. Further, he explained this funding could come from EDIT funds, cautioning the Commissioners and Council to consider the affects of the legislation (as discussed) before committing to the annual payments.

Auditor Weston provided an EDIT budget projection from 2008 through 2012.

EDIT Budget

	2008	2009	2010	2011	2012
Estimated Revenue:					
CEDIT Shares	5,360,000	5,424,320	5,489,412	5,555,285	5,621,949
Interest Income	500,000	517,500	535,613	554,360	573,763
Estimated Expenses:					
Budget	4,207,173	4,895,006	4,742,493	4,794,149	4,795,900
Net (Reserve):	1,652,827	1,046,814	1,282,532	1,315,496	1,399,812
EDIT Cash Balance 12/31/07		12,229,965			

She added the 2008 figures have not been certified and the revenue estimate used is lower than projected. Mr. Guerrettaz implied future reserves will be non-existent and the impact of circuit breaker will lower bond ratings and will increase interest rates. Commissioner Knochel recommended proceeding with construction slowly.

Mr. Guerrettaz recommended reviewing options for the facility in the next 30 days and discussing the 3-5 year sustainability analysis. Also he suggested discussing all the ramifications before pursuing any further.

- Commissioner Knochel moved to adjourn.
- President Murtaugh called a recess until the regular meeting at 2:00 p.m.

TIPPECANOE COUNTY COUNCIL
REGULAR MEETING
February 13, 2008

The Tippecanoe County Council met at 2:00 p. m. Wednesday, February 13, 2008 in the Tippecanoe Room in the County Office Building. Council members present were: President Thomas P. Murtaugh, Vice President Kevin Underwood, Betty J. Michael, David S. Byers, Kathy Vernon and Kevin Underwood. Others present were: Auditor Jennifer Weston, Attorney David W. Luhman, and Secretary Jennifer Prange. Absent was Jeffrey A. Kemper.

President Murtaugh reconvened from the joint meeting with the Commissioners.

YOUTH NEEDS UPDATE – Judge Loretta Rush

Judge Rush shared her vision and the three critical needs for the juvenile center.

- Intake/Access Center – a center to accept children 24/7 with assessments/screenings
- Secure Detention – safe place to retain children in the community
- Alternative services – court ordered services to rehabilitate youth

Judge Rush recommended scaling down the project to focus on core elements. She stressed the critical needs of the community may be overlooked if the center becomes too large. Judge Rush acknowledged the possibility of the center serving 200-300 children for detention and alternative services. $2 million was spent in 2007 for secure detention, Department of Corrections, and other detention services. She reported the county recovered $480,000 in court ordered reimbursements from parents in 2007. She suggested the possibility of increasing the number of beds slightly to house out-of-county inmates to assist with operating expenses.

APPROVAL OF MINUTES

- Councilmember Vernon moved to approve the minutes from the January 11, 2008 Regular meeting, second by Councilmember Michael; motion carried.

- Councilmember Byers moved to approve the August 21, 22, 2007 Budget Hearing minutes, second by Councilmember Gutwein; motion carried.

AUDITOR'S FINANCIAL REPORT

Beginning Net Balance	$1,659.421.22
Additional Appropriations	$ 82,024.00
Miscellaneous Expenditures	$ 700.00
Uncommitted Funds	$1,576.697.22

Councilmember Kemper plans to meet with Court Services Director Cindy Houseman regarding Funds 575 and 576. Councilmember Vernon requested that Fund 310 be discussed before the March meeting.

TREASURER'S INTEREST REPORT

Treasurer Plantenga provided an end of the year statement for 2007. The General Fund was credited $183,700 for interest earnings and $298,700 for CD interest in December 2007. December's interest on all funds was $500,000 with the retention of property taxes and the total amount collected was for 2007 was $2.3 million; 35% above the budgeted amount for 2007.

SUPERIOR COURT 3 - Rebecca Humphrey

Juvenile Assessments Fund 155

Director Humphrey requested approval of grant funds for National Drug Court training. The grant will provide assessments for youth and training for Juvenile Probation Officers.

Grant Appropriation: $30,269.00

$23,250	Contracts/Consultants
$2,449	Training Costs/Conference Registration
$4,000	Training Costs/Lodging
$570	Training Costs/Miscellaneous

- Councilmember Byers moved to approve the grant appropriation for $30,269 from Fund 155; second by Councilmember Underwood; motion carried.

LIBRARY CAPITAL PROJECTS PLAN

Van Phillips and Jos Holman presented information regarding the 2008 Capital Projects Plan for the Tippecanoe County Library. Mr. Phillips noted a previous request for portable generators was eliminated from this plan. He reported circulation has increased from 1,366,000 in 2006 to 1,500,000 in 2007. Jos Holman, Library Director, requested the following items:

Replace Alarm/Access System – (Main & Klondike branch)	$20,000
Install Closed Circuit TV – (Main & Klondike branch)	$29,500
Purchase Courier Vehicle – (Main, Klondike, & Campus branches)	$17,500

Library members will return next month for final approval of the Capital Projects Plan.

SUPERIOR COURT 6

Councilmember Gutwein reported the court is requesting approval of the salary statement for part time staff to cover an employee on medical leave.

Salary Statement: $10.00 per hour
$10 per/hr Part Time Clerical

- Councilmember Gutwein moved to approve the salary statement as presented, second by Councilmember Michael; motion carried.

JUVENILE MAGISTRATE

Salary Statement: $10.00 per hour
$10 per/hr Part Time Clerical

- Councilmember Byers moved to approve the salary statement as presented, second by Councilmember Underwood; motion carried.

MAGISTRATE

Commissioner Assistant Frank Cederquist reported Magistrate Norris Wang is requesting approval for a salary statement for part time staff. It was noted the $15.50 per hour range was requested to hire an experienced court reporter.

Salary Statement: $7.00-$15.50 per hour
$7-15.50 per/hr Part Time Reporter/Clerical

- Councilmember Underwood moved to approve the salary statement as presented, second by Councilmember Gutwein; motion carried.

COURT SERVICES

Youth Mini Grant Fund 636

Michael Pritchett requested approval for grant funds received from the Drug Free Coalition of Tippecanoe County.

Grant Appropriation: $175
$175 Contracts/Educators

- Councilmember Byers moved to approve the grant appropriation as stated, second by Councilmember Underwood; motion carried.

Court Services Donation Fund 113

Approval was also requested for a donation received to sponsor an art class for at-risk youth.

Additional Appropriation: $50
$50 Contract/Educators

- Councilmember Byers moved to approve the additional appropriation as requested, second by Councilmember Michael; motion carried.

HEALTH DEPARTMENT

Master Tobacco Settlement Fund 762

Grant Appropriation: $4,663
$4,663 Educational

- Councilmember Michael moved to approve the grant appropriation from Fund 762, second by Councilmember Underwood; motion carried.

Councilmember Underwood speaking on behalf of Director Ron Cripe noted the $25,000 is for adult immunizations.

Additional Appropriation: $31,000
$1,000 Office Supplies
$25,000 Medical Supplies
$5,000 Educational

- Councilmember Michael moved to approve the additional appropriation as stated, second by Councilmember Underwood; motion carried.

WIC – Colleen Batt

WIC Fund 880

Director Colleen Batt requested approval for a WIC grant. The funds are earmarked for office equipment in Tippecanoe and surrounding county WIC offices.

Grant Appropriation: $95,000
$95,000 Equipment

- Councilmember Vernon moved to approve the grant appropriation as requested, second by Councilmember Underwood; motion carried.

RECORDER

Security ID Protection Fund 172

Additional Appropriation: $2,124
$2,000 Part Time
$124 Social Security

- Councilmember Michael moved to approve the additional appropriation as requested, second by Councilmember Underwood; motion carried.

PROSECUTOR – Kristin McVey

Kristin McVey requested approval for part time employees assisting the Prosecutor's office with electronic data storage. The salary statement for Child Support has been requested for an experienced retired employee.

Salary Statement: $7.00-$9.00 per hour
$7-9 per/hr Prosecutor Interns

Salary Statement: $7.00-$12.00 per hour
$7-12 per/hr Child Support Interns

- Councilmember Vernon moved to approve the salary statements as submitted, second by Councilmember Michael; motion carried.

SHERIFF'S COMPENSATION AGREEMENT

Sheriff Brown confirmed the proposed agreement is comparable to other counties with similar duties and size.

- Councilmember Byers moved to approve the Sheriff's Compensation Agreement, second by Councilmember Gutwein; motion carried.

COMMISSIONERS – Frank Cederquist

Commissioner's Assistant Frank Cederquist requested the additional appropriations from Fund 010 and Fund 301 be tabled until further notice.

Approval was requested for a part time salary statement to offer a range for different positions in the Commissioner's office.

Salary Statement: $5.15-12.50 per hour
$5.15-12.50 per/hr Part Time

- Councilmember Michael moved to approve the salary statement as requested, second by Councilmember Vernon; motion carried.

AUDITOR

General Fund 001

Auditor Weston confirmed funds were requested in 2007 for contractual services for the property tax rebate checks. Since the checks were printed in-house, she is requesting the encumbered funds be transferred to office supplies to cover cost associated with the rebate checks.

Transfer: $16,200

$2,760	Contractual Services to Office Supplies
$13,440	Contractual Services to Postage

- Councilmember Underwood moved to approve the transfer as stated; second by Councilmember Michael; motion carried.

COUNCIL

General Fund 001

Auditor Weston requested approval for an additional appropriation for Rainy Day funds. The council cut its Rainy Day budget for 2008 until uncommitted funds were determined. The request is for COIT and CEDIT funds received from the state that are required to be deposited into the Rainy Day Fund. These funds may be transferred in the future to the COIT Reserve fund. With the news that excess COIT and CEDIT funds would be sent from the state soon, Auditor Weston requested the council consider moving funds to COIT Reserve Fund 051, which does not meet a 3-month reserve balance.

Additional Appropriation: $500,000

$500,000	Administrative/Rainy Day

- Councilmember Gutwein moved to approve the transfer for $500,000 from the General Fund to the Rainy Day Fund, second by Councilmember Vernon; motion carried.

CARY HOME – Jason Kniola

Director Jason Kniola discussed additional part time staffing for Cary Home. The additional staff will provide safety for employees and increased supervision at the girls and boys home.

- Option A- provides 8 additional staff members $58,060
- Option B- provides 7 additional staff members $36,220

He proposed increasing the starting pay from $7.00 to $9.00 an hour to attract more experienced and qualified applicants. Cary Home for Girls is progressing well, Director Kniola is hopeful the home will be open in March.

YOUTH SERVICES UPDATE – REBECCA HUMPHREY

The League of Women Voter's Forum for the juvenile center has been moved to Ivy Tech College on January 25, 2008 at 7:00 p.m.

Director Humphrey is currently updating information regarding the juvenile center on the county website. Her goal is to provide accurate, useful and up-to-date information for the community. She distributed information regarding possible sites for the center and general criteria needed. All of this information will be available on the website.

OTHER BUSINESS

- Councilmember Gutwein moved to retain legal services of Hoffman, Luhman, Masson, P.C. for 2008, second by Councilmember Byers; motion carried.

COMMISSIONER'S FYI

Juvenile Alternatives is moving to the 629 S. 6th Street building. Commissioner Benson publicly thanked Ron Cripe, Mark Kirby, and the Maintenance staff for assisting in the move.

PUBLIC COMMENT

Extension Office Director Bryan Metzger reported the Board of Finance program from Larry DeBoer has been re-scheduled.

Dave Dietrich - 2434 Old Romney Road – spoke regarding the juvenile center. He encouraged members campaigning for commissioner to continue the work started on the center. He is in favor of the facility and is concerned the project will not be completed. Mr. Dietrich asked for reassurance that the community will continue to be involved in the process.

- Councilmember Byers moved to adjourn.

TIPPECANOE COUNTY COUNCIL

Thomas P. Murtaugh, President

Betty J. Michael

Kevin L. Underwood, Vice President

David S. Byers

Andrew S. Gutwein

Jeffrey A. Kemper

Attest:
Jennifer Weston, Auditor

Kathy Vernon