

**ALLEN COUNTY COUNCIL MEETING MINUTES**  
**March 16, 2023**  
**8:30 AM**

The Allen County Council met on Thursday, March 16, 2023, at 8:30 am in the Chambers in Citizens Square. The purpose of the meeting was for additional appropriations, transfer of funds in excess of the current budget, grants, and any other business to come before Council.

Attending: Robert A. Armstrong, Tom A. Harris, Josh L. Hale, Paul W. Lagemann, Ken Fries, Kyle A Kerley, and Don A. Wyss.

Also Attending: Council Attorney Harper, Nick Jordan, Auditor and Jackie Scheuman, Finance and Budget Director.

**Chairman Harris:** Order our Allen County Council meeting for Thursday, March 16th. Good morning. If you'd please rise as we say in the Pledge of Allegiance, followed by a moment of prayer.

**Council:** I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

**Chairman Harris:** Amen. Good morning, Council. This morning we will start, as we generally do with the approval of the minutes for February 16th, 2023.

**Councilman 2:** So moved.

**Chairman Harris:** We've got a motion.

**Councilman Paul Lagemann:** Second.

**Chairman Harris:** Is there a second? All in favor, say aye.

**Council:** Aye.

**Chairman Harris:** Does pass. Next up is our financial report with Auditor Nick Jordan.

**Nick Jordan:** Good morning Council. Morning, I'm Nick Jordan, Allen County auditor's office. In your notebook, you'll see the financials through February. I can take any questions you have in regards to those. A couple of items I will touch on that aren't necessarily reflected in your financials. December 2022 was a rough month for us for health insurance claims, so we ended 2022 with actually the highest health insurance claim expense. That includes some admin expenses as well that we've had potentially on record.

That lowered our balance, our health insurance fund balance because it maintained its own balance, just like 200 other funds to around \$1.7 million. I like that to be around \$3 million. Depending on how this year trends because we'll dump another \$13 to \$14 million into that health insurance fund. We have \$10.5 budgeted from the general fund. We budgeted approximately another \$3 million from the certain other funds like highway as an example, we'll dump approximately \$13 million in there.

If that balance is still around \$1.7 million, below \$2 million, I will come back towards the end of the year and ask for another \$3 to \$5 million depending on where we're at \$5 million

would be if we would go negative. I'm not looking for a \$5 million balance in the health insurance fund. Just an FYI in that regard. It was a mixture of some high claims as well as just the end of the year people have met their deductibles and a larger quantity of claims.

The other item is on a positive note. Some of you may recall in years past received a LIT supplemental distribution. The estimate as of-- what that is your local income tax, the state certifies a distribution to us. Then if our trust balance, which sits at the state, if our trust balance exceeds 15% they give us a distribution before the next May. Our estimate as of now is the county as a whole. All the units together is approximately \$50 million for the distribution, that's three times larger than it's ever been.

Initially, I was shocked, something's got to be wrong, so reached out to the state budget agency. They said, "No, it's good." I said, "Hey, can you give me the unemployment claims?" 2020 we had \$184 million of unemployment coming to the county. That's unprecedented compared to every year prior to that. Like the highest year prior to that in the last decade was like 15 million. That's not the sole reason. The other reason is just higher incomes, which the tax is derived from.

The whole point being is the general fund potentially will see another \$5.7 million that we did not anticipate. LIT economic development potentially another \$3.5 million and then the LIT public safety fund another \$1 million. If the state factors these into our ongoing distributions, it's not necessarily a one-time distribution, but we like to treat it as that because we have no clue how the state's going to proceed with our future distributions. They should reflect the economy, the local economy here. That's just an FYI that we will be receiving those additional monies come May of this year.

**Chairman Harris:** For the County government, it's 5.7 it's not the 50. The 50 that you referred to is coming to Allen County as a whole, all the different town halls.

**Nick Jordan:** We traditionally get around 30% of that bucket. There's LIT certified shares, LIT economic development, LIT public safety, and LIT property tax relief. 5.7 is going to the general fund. Three and a half is going to the LIT economic development and then another million going to LIT public safety. All three together is closer to 10 million, not the 5.

**Chairman Harris:** Very good. The question on the healthcare. What's our stop loss? Do we have a stop loss?

**Nick Jordan:** I don't know. I'm not going to throw a figure out there. I feel like it's \$400,000, but I don't know. I can check, I don't know.

**Chairman Harris:** Okay.

**Nick Jordan:** I have it actually on email-

**Chairman Harris:** That would be worth understanding. Do we see that trend in December, it probably trends that way, but this year was a record.

**Nick Jordan:** For December alone had, I think, \$2.5 to \$3 million worth of claims. Some of that's timing. Depending on when we process and when we hit and stuff like that. The total expense, the actual insurance claims plus the administrative was around \$17 million for the year in '22. I think the next highest year looking back at least 10 or 15 years was \$15 million which has been a while. We've been fluctuating around \$13 million. That took a hit to our

fund balance, which our fund balance was going up because we had good claims experience and now it's trending downward.

**Chairman Harris:** Very good. Thank you. Council, [crosstalk]

**Nick Jordan:** I should have time. We will receive some reinsurance. Not a substantial amount. I think it was less than a million dollars. I had asked Deb Hudson, but I got it in an email. I'll check, I'll send it to you guys, so you have that.

**Chairman Harris:** You can change that, but it's going to be on a contractual when that is up and such. Is that beyond, we can't change stop loss?

**Nick Jordan:** Well, like you're saying, traditionally the Commissioners & HR have handled that aspect of it, so I would defer to them.

**Chairman Harris:** Okay. Very good. Council, other questions for financial report? Hearing none.

**Councilman Fries:** Motion to approve.

**Councilman Lagemann:** Second.

**Chairman Harris:** And a second. Any further questions? Hearing none, all in favor say aye.

**Council:** Aye.

**Chairman Harris:** All opposed? That does pass 7-0. Nick, thank you.

**Nick Jordan:** One quick comment on the drug and alcohol consortium. When they come up, your motion, assuming if you make a motion to approve, that is going to be subject to the commissioner's approving the grants tomorrow. We have it backwards. The commissioner should approve and then you guys approve after the commissioners have allocated the deduction. Your motion will just be subject to the commissioner's approval.

**Chairman Harris:** Thank you. All right, as far as the agenda this morning total appropriations requested in the general fund is a minus \$26,482. Total appropriations request in other funds is \$300,695. At this point, we'll open up for a public comment. Have anyone here for public comment? Hearing none, we'll move forward with our Drug and Alcohol Consortium. I think with this today is Mary Clark. Is that correct?

**Mary Clark:** Yes. Good Morning.

**Chairman Harris:** Good morning.

**Speaker 2:** Good morning.

**Mary Clark:** Hi everybody. Thank you for taking time today for this. I apologize for having them backward. It's a little different situation with this particular piece of legislation. Just for a brief overview for anybody that's not familiar with this process, we put out an RFP, a request for proposals. We do that in the Monday after Thanksgiving. People are given till mid-January to complete their applications throughout the community.

We advertise that in as many ways as we can, sending it out to partners, sending it out via press release, and all of that to make sure that as many people can get engaged with this process as possible. The three categories that we allocate dollars to according to the legislation is prevention, intervention, and justice. You'll see those three categories as you go through here.

Your first page is just an overview of who applied and what they got last year, what they requested this year, and then what was recommended by the funding committee. The funding committee is another process that we put into place. Pretty much every year about this time, we ask people who want to be a part of the funding committee for the following year. We have partners and community members and just anybody that's involved in any way or has some interest in looking through these grant requests as they come in late January, early February.

We do try to give a brief overview of what those requests are. You have them on your first page with the blue lines, is going to have the very basic information, and then you can refer to them in here for what actually was requested. They write probably four or five pages worth of information and we summarize it the best that we can to make it make sense with their own words.

For the first one that we start with is prevention mini-grants. That one's the most complex and we have the most request in that area, so you'll see for our prevention mini-grants, we had requested \$85,518.12 worth of request and only \$27,126.13 to grant. That one's a little bit more difficult and a little more complicated than the other ones. In those prevention grants, you'll go through and see what people requested and then what they were granted. We have an overall decline in what is collected because this fund specifically comes from drug interdiction charges and OWI charges that are assessed in the court.

If the people are not getting as many OWIs or just many drug interdiction charges, obviously, that number goes down. We are at one point in the history of the Drug and Alcohol Consortium, were close to \$400,000 in grants that we had to allocate to these groups. You can see now we're at about \$27,000 per category. It's a big difference in the way that substance use disorder is approached in our community, in our courts, and in the way that we do treatment and not as many fees for people.

As that number goes down, we try to seek other funding to help supplement these programs that we know are very effective in the community, in helping us prevent them, and how we can help incentivize those that are in the justice system to have better outcomes once they're out of the justice system. Then for intervention, once they're in some recovery program that assists them in getting that baseline entry into services.

There's a scholarship fund that we'll talk about for that. For the prevention mini-grants, you'll see what exactly was requested, what the funding committee determined to be granted. Then the total coming down at each category is \$27,126.13. Does anybody have any questions on that process before I go forward? Please?

**Chairman Harris:** How do you evaluate the effectiveness of those programs that you're funding with those dollars?

**Mary Clark:** For prevention programming, we ask the programs have a specific reach per dollar. In the applications, which those are always up on our website, and I can send you

those links so that you can see exactly what is asked in those applications. We ask for them to give a very basic idea of what a budget would be, what other funding they have to support that, and then how much of the DAC dollars from this fund go-- how many people that serve.

If they're asking for \$10,000 and the program costs \$100,000, and they've got \$90,000 in support, we want to see what that \$10,000 is serving. If they serve 500 kiddos with that \$100,000 program, then we want to see what 250 kiddos, how that reaches those kids, and how much that is dollar for dollar so the 225 kids to that \$10,000. That's not really as much of a benefit as if we have a program where we give them \$5,000 and they're able to serve 300 kids.

Depending on if it's an evidence-based program, the points essentially go up within the rubric that they have more backing that the program is going to be effective. If it's not an evidence-based program, they need to be serving more so that we know it's catching with the ones that are being served, at least with a good portion of them. That's for that particular program for that area, for prevention.

For the intervention scholarships, what that is, is instead of giving \$5,000 to 5 or 6 organizations to do a program within their services, we instead do \$300 scholarships so that that money goes much further and it can spread to several different organizations and individuals. Those are individually allocated. Each individual can get \$300 to start services and after six months, if they're still in services can get \$300 towards any fees that they have with the organization at that point.

That one's different in that we know it's at least starting or continuing services for an individual in recovery. Then the justice system there's a lot that goes into determining, per the state's guidance on that, to determining what is an allowable. A lot of the allowables are incentive-based within community corrections or drug recognition training that we know helps the police department get the most unsafe drugs off the street faster, that kind of thing. They're a little different for each category, but in nutshell, that's the whole deal.

**Chairman Harris:** Where I was headed a little bit. You keep numbers in terms of the overall effectiveness of DAC and what it's doing for the community now.

**Mary Clark:** Oh, yes.

**Chairman Harris:** I've heard, I think from the judges that the Uber is influencing the number of drunk driving and such. That number is actually reducing. You keep track in correlation to how much you're giving, what you're giving, and if they're making some effect.

**Mary Clark:** Yes. There's-

**Chairman Harris:** Overall numbers.

**Mary Clark:** -a few different ways we do that with each different category. Everybody has to do a midterm report and a final report so we can capture what is actually being done, how many people are being served, what their scores are. In prevention there's usually, before the prevention programming starts, if it's evidence-based, it has an intake essentially baseline survey to see what they know and then how much their knowledge has improved in the areas that are problem areas according to our state Indiana Youth Survey that we have.

That Indiana Youth Survey identifies protective factors, risk factors, and then anything that could impact the quality of life in the child's life. Are there firearms in the home? Do they have firearms charges, I should say, in the home? Are there parents that are incarcerated in the home? Are there certain issues that the child is facing in school with addressing mental health needs? Are there mental health needs being addressed outside of school?

The survey is very comprehensive. It has a lot of really good information. We're very lucky to have Fort Wayne Community Schools and East Allen County schools participate in the Indiana Youth Survey. It gives us a really good amount of information. There's also some schools throughout the community that also participate that are not part of a system, and it helps us determine where people are and where they should be and how we can improve, and what that would look like if we addressed that with an evidence-based program.

We do have several 50-plus page reports that I can send over as well if you'd like to read them. They're very interesting if you love data. I have a data person because I love data, but I don't want to do data. I can send some of those reports just so you can have an idea. They're all on our website. We always post all of those reports. We do one specifically for this grant.

We have a comprehensive community plan that we put forth after these grants go through so that the Indiana Criminal Justice Institute, they have to approve that and then we do quarterly reports to them and we also do an end-of-year report that summarizes everything that happened, how those dollars were effective or not. Then we do that for each of the different programs. We do that with CJI, with Criminal Justice Institute for all the different programs within this grant. We also do it for the other things that DAC does as well.

We have division of mental health and addictions funding for older adults. We have programming for that and the community and that has a very rigorous process for how those are assessed. Then we also have the community prevention, which is mostly youth, but some older adults or older youth that are within that program. Same thing with division mental health and addictions. Then we now have four grants including suicide prevention from the Indiana State Department of Health, so suicide prevention, maternal health, handle with care, and I'm missing one, overdose fatality reviews.

Because these dollars have gone down so much over the years, which we're not too upset about it because it means either people are not doing as bad or they're not going to be in such a bad place when they get out of treatment, we've really tried to supplement that funding. In the last four and a half years we've quadrupled the funding that we bring into the community to parcel back out to the community through different areas.

**Chairman Harris:** These funds that we're talking about today are designated to just those that haven't been identified, they don't go anywhere else at that point.

**Mary Clark:** Yes.

**Chairman Harris:** Council, other questions? Yes, Councilman.

**Councilman 1:** I know Councilman [unintelligible 00:18:36] and then I myself.

**Councilman Fries:** Briefly could you go over this scoring average here? I'm looking at, here we've got three of them. Two of them are in 17s and one is in the 16s. The two that are in 17s didn't get any funding, but the one that's in the 16s did get funding, which I find an anomaly.

The one that goes to Indiana Youth Institute, which is a gathering of youth service professionals in the Midwest that pays for scholarships for youth care workers. Can you go over why do we score them if the lowest-scoring one gets money and the ones above it don't?

**Mary Clark:** The score is based on the rubric that we use. We try to put that in there just to add a little bit more validity to it. I understand the question for sure. The higher scores, so the ones that did not get one had a disqualifier. If they're a higher score in their average from the reviewers, but they did not get funding, it's usually because there's a disqualifier that it does not meet the regulations that we have from the Indiana Criminal Justice Institute, that meant they could not do that particular program.

A couple of those that scored really high because they do meet the rubric for it, they didn't meet criteria because maybe they applied under the prevention grants, but they were really an intervention program. They still sound good on the rubric because they're still serving a certain number of people and they still have an evidence-based program and maybe their budgeted amount is appropriate for the number of people served, that kind of thing but it doesn't meet the criteria for that specific category.

**Councilman Fries:** Does anybody then tell them that you should apply for the intervention instead of prevention?

**Mary Clark:** We do, and that's actually something that I probably should let you know, is that if they don't meet the category that they're in, we generally try to find another way to help them get that funding either through the other area. Intervention, because they don't have to apply ahead of time for intervention, we will let those places know that fell under the wrong category, that they can still apply for these intervention scholarships for the individuals in those programs for that.

**Councilman Fries:** Okay, thank you.

**Mary Clark:** It does look a little confusing. I apologize for not making that more clear.

**Councilman Lagemann:** Mr. Chairman, thank you. When you talk about data, talk about outcomes a little bit, the number of kids you've helped, the number of adults you've helped, and then what are the metrics that that you look at the end of the year to determine success.

**Mary Clark:** Sure. Do you mean for this program or all DAC programs?

**Councilman Lagemann:** This program specifically, but then you can speak to the other programs as well.

**Mary Clark:** Sure. When we're looking at data for these particular programs, it is essential they have to write a smart goal. It has to be specific, measurable, attainable, something and something timely, and an R word. We look at their smart goal and if their smart goal, which is one of the things on the rubric is applicable to that funding, then we will look at whether or not they met that smart goal. Whether they met the objectives that they put forth in the smart goal and objectives because they have to have a goal and then two objectives related to the funding that they're requesting.

If they have met those smart goals and we've already determined those smart goals to be an effective means for getting programming to a group of people, then that's how we measure those. For our programs such as the-- if you're looking at the tangible rewards program, that

program and community corrections, we are looking, they send a lot of data and a lot of information to us as a result of this is how many people received these incentive programming aspects, and this is how it moved them through their process to be successful once they've exited community corrections or still while they're in community corrections.

That's a little bit different. As far as the ones such as the McMillan Health, that's a new one up in the justice area, they actually did apply within the prevention area far enough ahead of time that we could say, "Oh wow that's a justice, you need to reapply within the justice area." That is for the JCAP programming that's in the jail. That's where we essentially can see that that programming is evidence-based programming that already exists and we can assess it based on those smart goals again.

Within that system, they will feed that information back to us. We have what we call evaluators at the state that will help us, their epidemiologists, and people that understand that a lot better than I do, they can put that information together and tell us where the gains or loss is with that. As we send in those quarterly reports explaining what has occurred, then the state epidemiologist person that evaluates that, our evaluators, they let us know whether or not that's being effective or not.

If it's not effective midway through the year, then we can understand better how we'll do that the other half of the year, or that we'll ask them if they want to rescind or send the money back and it can go back to another program. That rarely happens. They usually do stay pretty close to their target. For example, we could not fund the Allen County Jail Chaplaincy, which we have funded for a long time because they're not actually doing that program in the jail right now, but they are doing JCAP so we're happy for that.

We're not super upset about that because we know that they have some support in there as well and maybe even more robust support, because that is not something that directly goes back to that funding, the evaluators said absolutely not last year. This is not going to be something you can fund unless that program is reinstated. Yes, sir.

**Chairman Harris:** Good morning.

**Mary Clark:** Good morning.

**Chairman Harris:** Were you done My question would be around the process of promoting the application for the money, just how does that work? How do we promote it? Just maybe touch on the intervention and treatment that there's only one in that category.

**Mary Clark:** Intervention and treatment is not an application process. The rest of them are. The intervention and treatment is a scholarship fund that opens as soon as the money drops in from Indianapolis. Once the intervention and treatment is approved, then agencies can apply for that money. The agencies apply for on behalf of the client. We don't give the funds directly to the client because sometimes that can trigger a relapse of influx of \$300, might trigger a relapse. We actually do it against their fees with the agency.

The agency has to provide essentially like their plan of care for people that come into their establishment. If it's someplace like Headwaters counseling or another therapeutic environment, they have to essentially show that their people are licensed therapists, that they are essentially implementing best practices, that the person has a significant need for the financial assistance and that they're using that money appropriately.



If it is someplace a recovery residence, we want to make sure that they are recovery residents that has recovery programming within the building, has a policy for relapse. If somebody relapses, what happens? What are their conditions put upon that? Do they have to leave? Do they go back to their officers or how does that work? They have a certain level that they need to meet as far as not therapeutic care, but life skills care around recovery for those scholarships.

Then also, they have to provide their W9 and all that stuff so that we can pay them out. If they have all those things, then we do an inventory of services with them. That's their midterm and end term is that they make sure that they're showing us that they're doing those things that they said they were doing with the money, with the clients that are getting the scholarships to continue treatment or to initiate.

**Chairman Harris:** Very good. Council, any other questions? All right. Hearing no other questions.

**Councilman Lagemann:** Mr. Chairman, I will motion for the appropriation with the within Drug-Free Community Fund 745 of \$108,505 as per requested by the Drug and Alcohol Consortium.

**Councilman Fries:** Second.

**Chairman Harris:** A motion and a second, and amendment to that might be the pending the approval of the commissioner's passing this tomorrow because the commissioners would have to pass it before we can allocate it. Would you be able to add that to your--

**Councilman Lagemann:** That's fine. It's moot. Whether we have it there or not, if the commissioners don't pass it, it's moot. It doesn't really matter one way or the other.

**Tom:** We'll accept that. Council, all in favor say aye.

**Council:** Aye. Aye.

**Tom:** All opposed? That does pass 7-0.

**Mary Clark:** Thank you.

**Chairman Harris:** Thank you very much.

**Councilman Lagemann:** Thank you.

**Chairman Harris:** All right. Next up before economic development, we're going to go ahead and jump down to the coroner. The Coroner is with us today and it looks like a transfer of funds. We'll get him before us and then allow him to move on for his day. How's that? If you'd like to introduce yourself and your title, please.

**Jon Brandenberger:** Jon Brandenberger, Coroner of Allen County. Good to see you all.

**Chairman Harris:** All right, Jon, thank you.

**Jon Brandenberger:** [clears throat] There are two things that we wish to present this morning. One is a request for transfer of money, and the other is something just to have on

your radar for future action. We are requesting that transfer of money from autopsy fees in the amount of \$5,300 to capital to purchase a new portable x-ray unit for dental identifications.

There are 10 to 12 times a year where visual identification or fingerprints are not obtainable due to fire or decomposition, or other means, DNA is expensive. We also are able to make positive identification if the individual has an implanted medical device using the serial number. We go to dental identifications and we have two forensic odontologists, Dr. Nelson, whom you know, and Dr. Bruner is relatively new within the past year and a half or so.

They both are able to do dental identifications when we're able to obtain dental records from the presumed person and then compare the dental records with what is found during their identification process. The process involves a computer and software and a handheld portable x-ray unit. It's this unit that has gone kaput and we need a new one. The unit that we presently have was one that Huntington Hospital had used for some time and when Parkview remodeled Huntington Hospital, Huntington gave it to our office. It's an old unit and it's not workable anymore. The new unit is \$5,003. The details of that are in the information that we gave you. The request is for transferring the funds to capital for purchase of this handheld portable X-ray unit.

**Chairman Harris:** Very good. Council, any questions? Yes.

**Councilman Lagemann:** Mr. Chairman, I would just make a motion that we allow the transfer from fund number 1000701-442.31-09, autopsy fees of \$5,003 to fund number 1000701442-49-44 Coroner Equipment.

**Councilman Kerley:** Second.

**Chairman Harris:** We got a motion and a second. Council, any other questions on that? Hearing none, all in favor say aye.

**Council:** Aye.

**Chairman Harris:** All opposed?

**Jon Brandenberger:** Thank you, Paul. Thank you, council.

**Chairman Harris:** Does pass 7-0.

**Mike Burris:** The other information that is included in the information that we provided is for a new walk-in cooler. There are some pricing that's listed there. One is for an outside unit, one is for an inside unit, still in the process of working on attempting to gather additional funding from other sources. One being the opioid settlement funds. That would be issued out through the commissioners. Information that we received from them is that through the guidelines of that settlement, it can't be used for this purpose.

I'll be approaching Homeland Security and seeing if there's federal monies or state monies to help us to offset some of this cost but just wanted to keep you updated. This is an ongoing issue working with the commissioners with maintenance and trying to find a location, a county-owned property for storage for the cooler.

**Chairman Harris:** Yes, Paul.

**Councilman Lagemann:** Just wanted to make the suggestion, if you've not reached out to Indiana Criminal Justice Institute, they do a lot with enforcement and that's the pass-through for federal monies to local units of government through the state. That could be exceptionally helpful, hopefully.

**Mike Burris:** Okay. Thank you.

**Councilman Lagemann:** Thanks for looking for those dollars outside of Allen County.

**Mike Burris:** One of the reasons that this is necessary when Lutheran downtown was built, they did not increase the size of the cooler. The morgue that's down there, the forensic center is used pretty much for the whole region. It's not just Allen County. Especially over holiday weekends, there may be overdoses, motor vehicle crashes. Bodies are coming in from out of county and they're filling up and then they're calling us. Since Allen County's got the bulk of the bodies, what do we do with these? We need to get some moved out and we really have no place to move them to.

**Chairman Harris:** All right. Thank you. Anticipated a few months out?

**Mike Burris:** Yes. Probably June by the earliest by the time we'll have actually an idea of where we've got funds coming from and what we'll need.

**Chairman Harris:** Okay. Very good. Thank you very much. Thank you.

**Mike Burris:** Thank you.

**Chairman Harris:** All right, counsel, we're going to move back to economic development then now this morning. With this, Rachel. [silence] Good morning. If you'd like to introduce yourself and your titles, please.

**Rachel Black:** All right. Good morning, Rachel Black, Allen County Economic Development.

**Derek:** Derek Melchi. I'm COO of Faztek.

**Rachel Black:** All right.

**Chairman Harris:** Welcome.

**Derek:** Good morning.

**Rachel Black:** Well, this morning for your consideration you have before your resolution approving a statement of benefits for SAC Properties LLC, Faztek LLC, to be located at 12788 Bluffton Road. The company plans to expand their business by moving from their location currently within Lincoln Industrial Park to the Bluffton Road Location. They plan to build a 60,000-square-foot building. 21,000 square feet will be used for warehousing and 29,000 square feet will be used for production and 10,000 square feet will be used for offices, training rooms, board rooms, and break rooms.

The real property investment is over \$4.9 million, while new manufacturing and IT equipment is \$665,000. The estimated completion date for this project is in April of next year. Faztek plans to hire 15 additional employees with annual salaries at \$725,000, while

still retaining 28 jobs with salaries over \$1.5 million. The company offers a comprehensive benefits package including paid vacation, paid holidays, sick leave, health insurance, life insurance, dental and vision insurance, as well as paid uniforms and employee training.

The company has also stated in their application that they are willing to contribute 5% to the tax abatement development fund. Based upon your point system within your tax abatement policy, they are eligible for a 10-year tax abatement on real property and a 7-year tax abatement on personal property. If approved, the company is estimated to save around \$426,000, as well as still paying \$437,000 over that 10 and seven-year period. We are here to answer questions for you today.

**Chairman Harris:** Fantastic. Welcome and thank you. We'd like to just ask, tell us a little bit about your business, what are you doing, and tell us a little bit about maybe the footprint, what you're looking for in this area, and so on.

**Derek:** Okay. Faztek was started in 2001, we've been around for a little while. We do t-slot extruded aluminum for a multitude of things. It's an adults erector set, basically. Most of our business is going to be in your industrial solutions, whether it's machine guarding, custom workstations, custom workbenches, desks. The sky's the limit there. We have a lot of DIY guys that are making race simulators and even just making their own garage toolboxes and workbenches and stuff.

We have applications in food, medical, military, sneeze guards was obviously a huge thing the last couple of years. Aerospace, auto, we are in everything. We are shipping across the country, Canada, looking to expand the Canada stuff, looking to expand even East Coast, West Coast, a little more in the coming months, which is why we need the new building. Currently, we're in roughly 30,000, including the offices. We are out of space.

We have purchased a ton of material as of late to combat some of the supply chain issues. They is stacked up to the hill. We have needed a new building for a number of years. Building costs halted us for a little while. We don't have a choice now. We got to move. After extensive looking and looking at land and land prices were increasing in Allen County and everything, we finally were able to make a deal on Bluffton Road, which just happens to be right next door to our sister company who randomizes our aluminum for us.

It's just going to work out great logistically, no longer having to travel across county to transport this or worse, if we had to move somewhere else. This is going to work out great for our company as well as our sister company.

**Chairman Harris:** No indications of a softening, the market still strong, you're feeling in pricing of aluminum and such is that?

**Derek:** Yes, pricing of aluminum is just like everything else, it's up and down. Right now it's down. We do anticipate it and the market does think it's going to go back up which is why we made such a large purchase when we were given the opportunity. The extruders, they were down on some of their business and they came to us and said "Would you take this slot?" We jumped all over the opportunity to do that.

There is some downturn in the economy now. Faztek, we are still pumping along. In fact, we were just talking about having to maybe do overtime to get some of the assemblies that we have to do just to get them out of the door on time. Our biggest thing is lead times and

shortening those. Our competitors have very long lead times. Ours are very short, and we were talking about what we needed to do to make sure we kept that.

**Chairman Harris:** Council, questions other questions at this time?

**Councilman Kerley:** Rachel, I have a question. What is the relationship between SAC properties and Faztek?

**Rachel Black:** Go ahead.

**Derek:** SAC Properties is the owner of the land. Faztek is the company that's going to be building on the land. We're going to be paying SAC the rent. Sorry, my CFO is Matt Rupp, he's right behind me.

**Matt Rupp:** That's correct.

**Councilman Kerley:** The reason I ask is when SAC has gotten some abatements from us before and they've agreed to contribute the 5% on those other abatements, and they have not.

**Rachel Black:** I do have a comment about that. I'll get to this in the report on the next agenda item. SAC-NIA, which is their sister company, they did contribute to the fund in 2021. In 2022, there was not a contribution. There was some complication with communication. At this time, I have half of the money for that contribution. I'm just waiting for the other half, and I can't make that deposit because the invoice won't total the amount that needs to be submitted. It's in process. Yes.

**Councilman Kerley:** Thanks

**Chairman Harris:** Counsel, other questions?

**Councilman Hale:** Mr. Chairman, this is a comment more, not less a question. I want to preface that I am very much supportive of this, but I just think this is another opportunity. Southwest Fire District came to, I believe, council last year explaining how much the tax abatements are a difficulty for them, and where this development will be, will be in the Southwest Fire District. I'm not asking for anything. I just think that's another opportunity that we need to bring it to the attention that that fire district has come to this board explaining how the abatements are having a negative impact on their ability to provide service. I just think that's something worth bringing to the attention.

In my position, I wouldn't be doing my job if I didn't make it a point to note it. Thank you.

**Chairman Harris:** Thank you. Thanks.

**Councilman Fries:** I appreciate Councilman Hale's comments because we talk about this all the time, but nothing's ever happened. The Southwest Fire District meets with these businesses and tries to get something going so they can get some of their tax money back, but nothing ever happens. We need to figure out some way to make sure that that happens, that they get some of their tax revenue so they can continue to function as a fire department.

**Chairman Harris:** Well, and the fact that this particular company is going to be contributing to the additional fund is a positive, and thank you for that. Council, are there thoughts, comments? Hearing none now, is there a motion to move forward on this?

**Councilman Lagemann:** Mr. Chairman, I'll move the--

**Chairman Harris:** Consideration of the--

**Councilman Lagemann:** The resolution 2023-03-16-01 approving the statement of benefits, SB1, for SAC Properties and Faztek LLC.

**Chairman Harris:** I have a motion. Is there a second?

**Councilman Wyss:** I second.

**Chairman Harris:** A second. Council, any other questions? All in favor say aye.

**Council:** Aye.

**Chairman Harris:** All opposed?

**Councilman Fries:** Aye.

**Chairman Harris:** We have that would be 6-1, right? Congratulations. I just want to pass on congratulations to you, the leadership team and the employees, and thank you for that growth in Allen County.

**Derek:** Thank you for the opportunity.

**Chairman Harris:** Rachel, you have a few other items it looks like, right?

**Rachel Black:** I do. I have the next one and then Alyssa will take the third one. Let's see here. Grab the agenda. Yes, so the next one here that we have for you is the tax abatement analysis for 2021 and 2022. I'm just going to highlight a few areas of the report, and then if you have any questions, we can go over those. The tax abatement program was established in 1982, and as of December of last year, we had 384 tax abatements that have been granted by unincorporated Allen County, Woodburn, Grayville, Huntertown, New Haven, and Monroeville.

The most recent update to the policy for this body was in January of 2019, while New Haven, Woodburn, Huntertown and the most recent Monroeville have updated their policies to closely align with the Allen County policy. In 2021 and 2022 18, companies filed for tax abatement with estimated real improvements investment of \$106 million, as well as \$106 million in personal property investments as well.

As some of you may recall, we did have one company that was denied in 2021. Of the approved 17 companies, 10 were granted in the city of New Haven. One was granted in the town of Huntertown and six were approved by this body. The companies pledged to retain 3,684 jobs while still creating 670 new jobs. As you know, each year, companies who receive tax abatement are required to show the extent to which there has been compliance with their statement of benefits forms that were approved.

In 2021, we had 47 companies file their compliance forms. 23 of those are relevant to this council. Then in 2022, 51 companies filed their forms 24 that were approved by this body. Bringing up the tax abatement development fund. Provided in the application for tax abatement, companies may elect to give back a portion of their savings to the Tax Abatement

Development fund. The fund was established in 1994, and the funds income source is only through voluntary contribution by those companies as well as interest income on the fund's balance.

Within the report, there's two tables that are provided, and you'll see that those total contributions for the companies was \$96,860.42. As of December of last year, the total fund balance is \$933,866.39. We did have one expenditure last year that took money from the fund, and that was \$98,637.50. That was for engineering for Allen Martin Drive. For the 17 companies that were approved in 2021 and 2022, 5 elected to contribute to the fund.

I do want to mention that the town of Grayville, I'll be working with them this year in hopes to get their policies updated as well, just so that all of our communities are more in line with each other.

**Chairman Harris:** Do they also have a development fund in the other communities for these or is that?

**Rachel Black:** Excuse me. The Tax Abatement Development Fund within the application all goes to that 331 fund, except for Huntertown. In 2021, I believe it was, they decided to create their own tax abatement development fund. However, at this time they haven't had any applications or any companies that have elected to contribute to their fund. However, previous applications and approvals, we are still filtering those monies into the general main fund until it runs out as far as their deduction periods.

**Chairman Harris:** Very good. Council, questions.

**Councilman Fries:** To be clear, Rachel, none of that fund can be used to help fund Southwest Fire District, correct?

**Rachel Black:** No.

**Councilman Fries:** None of that helps make up the tax revenue they lose.

**Rachel Black:** No.

**Councilman Fries:** Okay. Thank you.

**Councilman Lagemann:** Chairman.

**Chairman Harris:** Yes.

**Councilman Lagemann:** Rachel, can you discuss a pilot what that looks like and how something like that would be implemented as we consider future economic development growth, future abatements, that sort of thing?

**Rachel Black:** As far as contributions to a Southwest Fire District, is that what you're asking?

**Councilman Lagemann:** The payment loop taxes. That program, is there a good way to work through, and I know we've had some discussions about this offline, but is there a good way for us to move forward and identify a means by which to include a pilot that would either add points to the process or incentivize that pilot in some way?

**Rachel Black:** Essentially, from what we've discussed before, we could set up a voluntary program just like we do with the Tax Abatement Development Fund. However, it's voluntary, so the companies wouldn't have to contribute any portion of their tax savings back to that. As far as adding points to the current point system, it's your program and so you would have to decide if that's something that you want to award.

**Chairman Harris:** Paul, you're suggesting-- Help me understand that a little bit.

**Councilman Lagemann:** The concept would be to institute a pilot as a part of the scoring system. The pilot, which is payment in lieu of taxes, would add points to the abatement scoring process and that would be considered as we consider the abatement.

**Chairman Harris:** I see. In other words, if they're contributing to the developmental fund, that would add a point, as an example. Is that what you're saying?

**Councilman Lagemann:** Well, the pilot would be different because the payment in lieu of taxes typically would go to a public safety entity.

**Chairman Harris:** You would dedicate that.

**Councilman Lagemann:** It would be specifically dedicated to fire and EMS, and we could do a public safety-specific pilot that would be part of the scoring system. I think that's something that we've had conversations about over the last year or so, but something I do believe that we ought to consider implementing. Because it does answer some of Councilman Freeze's concerns and Councilman Hales as well.

**Chairman Harris:** I think that all council always had that concern, I think, for Southwest. Is that something that you can take a look at or on DPSS?

**Rachel Black:** Yes. We'd be happy to put something together for you and-

**Chairman Harris:** Let's take a look at that and see what--

**Rachel Black:** - we can meet again to discuss the tax abatement updates that you would like to do for.

**Chairman Harris:** Very good. Do you need a passing or does this need to pass or was this simply an update this morning?

**Rachel Black:** Yes, just an update this morning.

**Chairman Harris:** Okay, fantastic. Thank you. You've got another item yet for redevelopment?

**Rachel Black:** I think I'll switch out. Elissa will be up.

**Chairman Harris:** Okay. Very good. Thank you. Next up then, from economic development. [silence] Good morning. If you'd like to introduce yourself and your titles, please.

**Rich Beck:** Good morning.



**Chairman Harris:** Well, the floor is yours. How's that?

**Elissa McGauley:** Thank you.

**Rich Beck:** I'm Rich Beck, president of the Allen County Redevelopment Commission.

**Chairman Harris:** Thank you.

**Elissa McGauley:** I'm Elissa McGauley. I'm the Director of Redevelopment for Allen County.

**Rich Beck:** I think I'll just make a couple of opening comments and Elissa's going to go over this [unintelligible 00:52:53] report for you. We've been--

**Councilman Lagemann:** Can you speak up, please? I'm sorry. I can't hear you.

**Speaker 3:** I'm having a hard time hearing you. Just [unintelligible 00:52:57] that mic.

**Rich Beck:** Okay. Sorry about that.

**Speaker 3:** That's alright.

**Rich Beck:** We have been completing an annual report long before it was required by the state. Basically, the report just gives you an idea of what happens during the course of the year on the redevelopment commission, the projects we're involved in, and the results of those projects. There's a lot of scrutiny that goes on within the legislature regarding the redevelopment commission, the use of TIF, and some probably stretched ideas on use of TIF. We constantly want to make people aware that we can do this without violating the law.

We can do things properly.

The end report goes into that in-depth and shares that with you. You continue to see legislation that will come down and crack down more and more oversight on redevelopment and TIF. We're just trying to state the case that we can get it done and get it done properly. Elissa will take you through the annual report and just give you the highlights of what took place last year.

**Elissa:** Good morning. The Redevelopment Commission has been in place since 1982. We just celebrated our 40th anniversary last year. It was created basically to put forth an effort to save International Harvester back in the early '80s. We were the first redevelopment commission. The city of Fort Wayne established their redevelopment commission shortly after. As you know, it consists of five members. Two of the appointees come from the Allen County Council and three come from the Allen County Board of Commissioners. They're also by statute have the commissioners have the ability to appoint a non-voting school board member.

Right now your appointees are Tom Harris and Darren Vogt. The other board of Commissioner appointees are Jill Kinder, Kurt Gutman-- Sorry, I got Tom Harris and Darren Vogt. Did I get that right? Then Kurt Gutman, Jill Kinder, and Commissioner Beck are the commissioner appointees. Our school board appointee is Tim Hines who is currently the board president of the East Allen County Schools.

We meet monthly FYI, on our second Tuesday of the month at 1:30 in this room. We welcome visitors and guests anytime you guys want to stop by and partake a meeting. Besides putting this annual report together, which is required by state statute, we do have to submit this to your body as well as the board commissioners, as well as submit it to the state for the Indiana Gateway and submit it. That is done by April 15th.

We also put together several other reports during the year and put on a presentation that's required by state statute to the effective taxing units, specifically geared towards the schools corporations. I'll go through some of the highlights of this report. Back in 2019, we put together a TIF reimbursement program which mirrored somewhat on what the city of Fort Wayne does in reimbursing developers for the cost of putting in public infrastructure as part of their project.

We did that geared towards some of the development that was happening along Dupont and Diebold Roads. The reimbursement that we've programmed that we set up a set of guidelines, we reimbursed not 100%, we stepped that down. Maximum is about 70% most of the projects that we have seen and approved last year. Or 60% reimbursement of the public infrastructure cost based on the property tax increment that's generated from the project.

The first one that we put together and approved an application for in an agreement with was for GJHL Properties. They have a \$6.5 million mixed-use development at the southeast corner of Dupont and Diebold Roads. This is where the winery is going. A picture of it under development is on the cover of our report. The development will include the winery and event center, a multi-residential housing, commercial and retail space at that corner property. We executed an agreement with them late last year. We also established a TIF district as part of that project.

Another project that we approved but did not go forward was the development at Dupont North and North Clinton. That was called the Commons of Wood Creek. That's a mixed-use commercial and office space development. They will be spending about one and-- A little over \$1 million on public infrastructure. They chose not to go forward with the agreement after we approved it.

Another one that we looked at as well was Echo Development, which was actually at the northeast corner of Dupont and Diebold Road. They received an approval of 60% reimbursement for public infrastructure cost. They tried to finalize their construction and reimbursement agreement with us but chose not to go forward. At the end of the year, we learned that the property had actually changed hands and was sold by Echo to Parkview Health Systems.

Another company or developer that we're working with, and we have yet to finalize an agreement with, was Leo Brown Group. They are developing assisted living at the end of Park Place Drive just off of Diebold Road as well. They were approved for 60% reimbursement by the redevelopment commission late last year. Their public infrastructure costs are around \$3 million. Like I said, we have got a draft construction reimbursement agreement in front of them, but we have not finalized that.

We are currently working with the city of Woodburn to pursue residential tax abatement on a couple of single-family housing developments out that way. Actually, this afternoon we're meeting with the East Allen County Schools Board to discuss those projects and the setup of property techs, the TIF districts for those. That piece of legislation requires us to seek actual

support letter from the school boards that are or the school districts that are affected by those districts. That's that piece of the process that we're going through right now is to meet with the East Allen County Schools Board to go over the projects with them.

We also, as part of our work, we get involved with engineering and design of public infrastructure. Building on what we've been working on in the Bluffton Road area, we hired GAI Consultants to execute additional engineering along Pleasant Center Road. As you know, about six years ago we worked with Walmart to establish a dairy facility. Actually, that was eight years ago. [chuckles] Time flies.

Part of that project was improvements to the corner of Bluffton Road and Pleasant Center. We're trying to, as part of this GAI Consultant contract is to engineer the rest of and make improvements to Pleasant Center Road over to Tely Road. That's a couple of years out. Engineering for that incorporates a lot of stormwater improvements to the area. I think it's a two-year engineering process and probably won't be under construction for a few more years yet. We'll pretty much align what has already been done in front of Walmart along Pleasant Center Road and match up with curbs as well as drainage for the area.

Another area that we've helped out on infrastructure is we executed a reimbursement agreement with the county commissioners, as we often do, for using the TIF district as a mechanism to pay back the commissioners or the highway department for infrastructure improvement projects. We did this last year for engineering that's being done for Smith Road and Airport Expressway to straighten out that curve, hyper curve that's right there in front of the Amazon distribution facility at Smith Road.

As you recall, Amazon, when they came to town, we already had a TIF district established there. We worked with the airport authority on that. They had several developers. That was a property that was owned by the Airport Authority and sold off to the developer that built the facility for Amazon. We did have that TIF district established and the company chose not to request property tax abatement. The increment that is coming in off of that Amazon facility is going towards reimbursing the county commissioners and the highway department for the engineering for that project at Airport Expressway and Smith Road.

The other thing that we do, just because it's part of our stewardship over the TIF districts that we do establish, is we take a, more often, an annual look at the TIF districts that we already have and see which ones that we don't need anymore, which ones we don't need to collect from. The ones that we don't need to collect from, we either shut off the increment or we dissolve the TIF districts altogether.

Last year, the redevelopment commission chose to dissolve three TIF districts, which leaves us with about 28 left. Most of those TIF districts we have a fund for. Besides managing those TIF district funds, we have a capital fund and a general fund from which we pay expenses out of. Did I cover everything?

**Rich Beck:** The only thing I would add is that, and I'm curious by your conversation on the tax abatement, is that initially, we had to participate with incentives. I'm not a big fan of incentives, but when you want to play in that sandbox, you've got to be competitive across the country. It's a global environment around, and we had to provide those incentives. Now, that we've become more of a destination place, we're cutting back on our incentives.

We used to carry interest costs for five years, we're down to two years. We're doing 60% reimbursement as opposed to 100%. It's not that you got to give away everything, you don't. They want to be here, let's make it appealing to them, but let's not give away everything just to get them in here. We're looking at reducing our number of incentives and what we provide to these companies as they come into the community. I applaud your wanting to take a look at your abatements program and reevaluate that as well.

**Elissa McGauley:** The way the report was set up actually, I just went over the high-level overview, but there's more detail at the very end that gives you a fund-by-fund list that shows the expenditures during the year and the fund activity. However, we've presented the data in various ways, but mine was more of the narrative that you see at the very beginning of the report.

**Chairman Harris:** Very good. On that point, Commissioner, one of the thoughts would be that we get points for that salary of the amount and such for abatements. If we're trying to get that as a goal, trying to get that average salary up, we could change that point structure possibly a little bit for that piece to say, "Listen, we need it, in order to gain points in that, we need a salary piece to come up a bit." That's a thought, but we can definitely get down that path. Council, any other questions or comments at this point? Hearing none, this does not need passage from us, it's just an update.

**Elissa McGauley:** No. It's just a required submittal to you this morning.

**Chairman Harris:** Great read to understand the tips and the fact that we've eliminated two of those this last year is a good thing as well. If we don't need them, we don't [unintelligible 01:06:09] do away with them. Sounds good. All right, thank you very much.

**Rich Beck:** Thank you very much.

**Elissa McGauley:** Thank you.

**Chairman Harris:** Appreciate it. Okay, counsel, next up is the Sheriff's Department. [silence] Id you'd like you to introduce yourself and your titles, please.

**Erica Beachem:** Good morning, counsel. [unintelligible 01:06:34] Erica Beachem, HR compensation generalist. Just wanted to follow up. We had a personnel committee meeting on February 23rd. The committee did review the two items that the sheriff's department is visiting today with counsel if you have any questions. The personnel committee did approve both agenda items three to zero. Starting with the first one is a request for two new positions. These are school resource officers, and sworn officers [unintelligible 01:07:02] step two, \$63,548.16. 40 hours a week, non-exempt. We have Sheriff Hershberger and chief Deputy or Deputy Chief Freeze if you have any further questions.

**Troy Hershberger:** Good morning. Troy Hershberger, Sheriff.

**Cary Fries:** Cary Fries, Deputy Chief.

**Troy Hershberger:** As was stated, these positions would be two additional positions. We've done this several times over the last several years now, and at the request of Southwest Allen County Schools, we are here before you today to request two additional officers to the Sheriff's department.

**Chairman Harris:** Very good. what's the timing of that? We're in mid-year, mid-school year. Is this for next year, then?

**Troy Hershberger:** This would be for next school year. Beginning as school starts. So early, I don't have the exact date in front of me, early August. This would allow us to get two people selected, get them through the process as Southwest Allen County Schools has say in that process and give us an opportunity to get them trained here through the summer months.

**Chairman Harris:** This is it's been a popular program and the schools definitely want you there. That's a positive piece.

**Troy Hershberger:** Yes, sir.

**Chairman Harris:** The council, other questions or comments. Please, Paul?

**Councilman Lagemann:** Go ahead, councilman.

**Chairman Harris:** Go ahead, Paul.

**Councilman Lagemann:** Sheriff, thanks for coming.

**Troy Hershberger:** You're welcome.

**Councilman Lagemann:** A couple of things real quick. Number one, thank you for the communication on these on these positions. You've done a great job as liaison, you've certainly communicated to me as well. These are requested by the school district first of all, right?

**Troy Hershberger:** Yes.

**Councilman Lagemann:** It's not an initiative by the Sheriff's Department, but a response to the initiative or response to the request for Southwest Allen County?

**Troy Hershberger:** That is correct.

**Councilman Lagemann:** Very good. How many school resource officers do we have out there?

**Troy Hershberger:** We have 12 and two supervisors currently.

**Councilman Lagemann:** That's all the questions I had.

**Councilman Fries:** I know there's a discussion about getting the contribution levels raised because currently, the schools are paying us what percentage?

**Troy Hershberger:** 70%.

**Councilman Fries:** We're going up to--

**Troy Hershberger:** I'd like to go, and we've had a discussion with Southwest Allen county schools, to go to 85%. These two positions, to my understanding, and step in if I'm wrong, were grant funded on their end and they can't pay for equipment. That'd be cars, equipment that go in the cars, that kind of thing, but it can be used for salaries. We would be looking at

increasing that percentage so we can draw back as we have increased the number of SROs. This would be if passed to 13 and 14. We've taken that hit with additional cars, equipment, that kind of thing. This will help us fund that.

**Councilman Fries:** That 85% then it'll be community-wide for all school districts.

**Troy Hershberger:** Well, we're working on that.

**Councilman Fries:** Because it would only be fair. My only concern with this, and we talked about it with HR at the personnel committee meeting, is making sure that these aren't filled until we have replacement officers. So we're not leaving other shifts short, and you guys have assured me that's going to happen.

**Troy Hershberger:** That is correct. That's why we're coming today rather than at the last minute. It would give us that opportunity first on, to get an officer sworn on. Because I believe we were just to you a month ago for the Monroeville position, the community resource officer, but it give us an opportunity to get persons sworn on, get them implemented, and get them trained. Because on the back end, as we fill in, we have to get people through the academy and we're still playing catchup from COVID.

**Chairman Harris:** Very good. Go ahead with maybe the second item on as well.

**Erica Beachem:** The second item is also tied to amending the 2023 sworn officer salary ordinance. I know we spoke with the auditor per the personnel committee to address the second one, which is to do a salary adjustment for the lieutenant crime scene technician. Switching that to a corporal crime scene technician, but we also wanted to look at future ways to do this. I don't know if you want to speak more about it

**Troy Hershberger:** Our auditors can step in with this.

**Nick Jordan:** [crosstalk] up until a year or two ago the Sheriff's Department had the flexibility within their salary ordinance to move any rank and file in any line within their available positions. Like I said, either a year or two ago, the sheriff at the time and the comptroller were okay with going and making it more restrictive. Such that if you look at the salary ordinance, it may say sworn officer corp, sworn officer corporal, sworn officer captain, sworn officer lieutenant, excuse me, whatever it may be.

That's where we're at today. What that does, that restricts the Sheriff's Department from moving a lieutenant into a captain line. As a happy medium what we're proposing is to go back to how it was before with caps on the rank and file. If you look in your notebook on page 72, at the very bottom it shows what we've passed to date with an amendment. It's the very bottom section shows limited positions by rank.

There will be a cap on corporals at 30, sergeants, 15, lieutenant, 10, captain, 5. There was concern on counsel's part that, and this was never proven to be true, but there was concern that, "Hey, the sheriff is going to hire 25 captains and reduce it to five corporals." That can't really happen, they don't have the funding to do that, but this would prevent that from happening as well as allow them to move lieutenants captains between lines or in the incidents that we had, [coughs] excuse me, before you today, a previous position that was at one rank and file and now they want to hire somebody at a lower rank and file. If you pass two, we don't need to do three.

**Chairman Harris:** Yes. In layman's terms, it was a, as we spoke, and as it's liaison, and also with the sheriff we spoke that the sheriff has the-- The merit board makes changes. In this case or a case that's coming before us, is that someone was actually moving down and can't move them because those spots were already identified line by line. This would allow the auditor more flexibility as well as the sheriff, but yet keeping a cap in place.

**Nick Jordan:** Yes. We we're fine. Like I said, the only worry was lopsidedness in the rank and file in the Sheriff's Department, this allows that to happen. We can operate, we operated for years the previous way. Like I said, it's a fairly new change that was more restrictive to the Sheriff's Department that they would like a little more flexibility and allows counsel some constraint or some caps on what they can hire.

**Chairman Harris:** The sheriff has met with you and came to a resolution over this as well.

**Councilman Fries:** Yes.

**Chairman Harris:** Good. Counsel, questions?

**Councilman Fries:** This limit only works if all those positions aren't currently filled. Because the number three that we're looking at is you've gone from a lieutenant's position to a corporal's position, but if you've already got 30 corporals, you can't put him down there.

**Cary Fries:** I'll answer that. We actually gave some flexibility, so we have additional numbers. It breaks down to 1, 1-2, and 4. It gives me that flexibility to make it more efficient as we make changes, obviously subject to the merit board's approval on any promotion.

**Councilman Fries:** You currently don't have 30 corporals or 50-- There's some room in there to move.

**Chairman Harris:** Right. It'd be 1, 1, 2, and 4. It would be the flexibility amongst those ranks begin with captain down to corporal.

**Nick Jordan:** Yes. Kenny, to your point of here, if the Sheriff's Department already has five captains, we would not allow a sixth captain.

**Councilman Fries:** Right, but number three is, we had a lieutenant's position that's gone now [unintelligible 01:14:47] If you've already got 30 corporals, you couldn't-- I think we need to do that. I think we also should go ahead and do three right at the same time.

**Nick Jordan:** [01:14:55] You don't need to do three because since he already has the flexibility, and since he doesn't have 30 corporals out there, he's got wiggle room. You don't need to pass 30.

**Councilman Fries:** Assuming two passes.

**Troy Hershberger:** Yes. I would only request that that be retroactive because the merit board promoted that person. Subject to Deputy Chief Freezes' promotion from lieutenant to his current rank. We've had that position filled for, and I don't have it in front of me, but couple of months now, [unintelligible 01:15:26] back so we can pay him.

**Councilman Fries:** If we pass two, does that pass the--

**Nick Jordan:** No, it still needs to be retroactive to whatever date.

**Councilman Fries:** January 1st, so the three would still need to be acted on from that standpoint. If we make two retroactive to January 1, then three doesn't have to be acted on.

**Chairman Harris:** All right, counsel, any other questions at this time? Sheriff, any other comments?

**Troy Hershberger:** No, sir. Thank you.

**Chairman Harris:** Thank you. Hearing no further comments.

**Councilman Lagemann:** Mr. Chairman, I will move the consideration of the summary ordinance establishing the pay for two school resource officers at \$63,548, non-exempt, 40 hours a week.

**Speaker 5:** Second.

**Chairman Harris:** Any other discussion on that item? Hearing none. All in favor say aye.

**All:** Aye.

**Chairman Harris:** All opposed? [silence] That does pass 7-0. The second item.

**Councilman Lagemann:** Mr. Chairman, I move that the move consideration of the salary ordinance amending the 2023 sworn officer salary ordinance to establish the limit of positions by rank as provided for by the auditor in our documentation.

**Councilman Fries:** Retroactive to January 1.

**Councilman Lagemann:** Retroactive to January one. Thank you, Councilman Fries.

**Councilman Fries:** I'll second that.

**Chairman Harris:** We got a first and a second. Any other discussion? Hearing none. All in favor say aye.

**All:** Aye.

**Chairman Harris:** All opposed? [silence] That does pass 7-0. Thank you very much.

**Councilman Lagemann:** Thank you.

**Councilman Fries:** [unintelligible 01:16:48] polled correctly.

**Chairman Harris:** Thank you. At this point, number three would be polled. All right, very good. Next up on the agenda is our ACCC Group. [silence] Community corrections, welcome. If you'd like to introduce yourself and your titles, please.

**Chandra Reichert:** Good morning, counsel. Chandra Reichert, I'm the Allen County Community Corrections Senior Finance Manager. I'm here today to ask for an additional appropriation out of our community corrections project income fund. The appropriation will



be to purchase three vehicles. Unfortunately, last month we had a circumstance where one of our home detention officers was involved in a car accident.

Luckily our officer, as well as the other party, was uninjured. However, the vehicle was deemed a total loss. That started the conversation of needing to replace this vehicle. I reached out to Dawn Rose with county purchasing, she was able to provide some options at a local dealer that actually had inventory available, which was quite surprising. That's not what we thought was going to happen.

With that inventory being available, it then sparked a little bit further of a conversation as to going ahead and being a little bit more proactive. Looking at our fleet as it is right now, we do have an aging fleet. We've got a couple of vehicles that are 2012's, we've got vehicles that are 2014's, 2016's. These vehicles are on the road every day doing home visits and doing overall check-ins on the individuals that we're supervising.

We thought that it would be a good time to consider going ahead and securing two additional vehicles. After speaking with Dawn Rose, I completed the vehicle acquisition request forms. Those were submitted to the board of commissioners, the commissioners approved those vehicle request forms, so now I'm here asking for your support.

**Chairman Harris:** Very good, thank you. Counsel, questions, comments?

**Councilman Lagemann:** Do you have the scoring on the other two that you want to replace or?

**Chandra Reichert:** We do not yet. We intend to keep them until their wheels fall off.

[chuckles]

**Councilman Lagemann:** These are two basically [inaudible 01:19:10]

**Chandra Reichert:** Right now it'll be two new, but when those are redlined or determined to be unsafe or the value versus the repair, those we will retire.

**Chairman Harris:** These funds are coming from the home detention fund at this point?

**Chandra Reichert:** That's correct.

**Chairman Harris:** Counsel, thoughts, questions? [silence] Hearing no other questions.

**Councilman Lagemann:** Mr. Chairman, I will-- Where is that motion? I'll move for the appropriation for Allen County Community Corrections within the Home Detention Fund 236 to transfer \$192,190 for vehicle costs and maintenance.

**Chairman Harris:** We got a motion. Is there a second?

**Speaker 6:** Second.

**Chairman Harris:** Seconded. Any other questions, comments, discussions? [silence] Hearing none, all in favor say aye.

**All:** Aye.

**Chairman Harris:** All opposed? [silence] That does pass 7-0. Thank you very much.

**Chandra Reichert:** Good. Thank you very much.

**Chairman Harris:** Thank you. All right. Counsel, next on the agenda is a reduction in our capital fund.

**Nick Jordan:** Yes, Council, if you recollect last month, we did the similar thing for the surveyor's department. It's just reducing your capital line because you approved capital and this was for superior court because you budgeted in the council's budget. We make a corresponding reduction in the council's capital line.

**Chairman Harris:** With that, do I have a motion to accept that?

**Councilman Kerley:** Motion to reduction within general fund capital for 26462.

**Chairman Harris:** 482.

**Councilman Kerley:** 482.

**Chairman Harris:** 482. Is there a first and a second?

**Speaker 6:** Seconded.

**Chairman Harris:** Any other discussion? [silence] Hearing none, all in favor say aye.

**All:** Aye.

**Chairman Harris:** All opposed? [silence] That does pass 7-0. Thank you very much. All right, next up before counsel today is the long-awaited discussion about our salary compensation program for Allen County government. HR is with us, as well as our consultant that has been working diligently throughout the last 7 to 12 months, something like that.

**Nancy Steigmeyer:** Good morning counsel. Thank you so much for having us here today. Nancy Steigmeyer, HR Department director, and with me today, I have Clemans Nelson & Associates. They are our selected consultants for this compensation study. This would be the recommendations for the first phase of the study. They're going to present to you, today, their recommendations, and we're here for questions as well. I'm going to turn it over for them to introduce themselves.

**Heidi Miller:** Heidi Miller, I am regional manager with Clemans Nelson & Associates.

**Ryan Woodward:** Ryan Woodward with Clemans Nelson.

**Chairman Harris:** Welcome. Good morning.

**Ryan Woodward:** Thank you. Heidi?

**Heidi Miller:** Okay. All right. I will kick us off here and then Ryan will take over because he's done quite a bit of work here recently. You can switch the next slide, me. Thank you. Just to talk about, and I know you all have heard this at this point, but again as a reminder on

what the project scope was. Essentially it's that we were asked to come in and evaluate the county's classification and compensation system. One of the primary goals being that we review the pay scales against the market to ensure that those pay scales are competitive.

Of course, this involved the various things up here such as meetings, reviewing of current practices, providing recommendations and then presenting our findings as well.

**Chairman Harris:** Heidi, you might move just a little bit closer to the mic or pull the mic closer to you.

**Heidi Miller:** Is this better?

**Chairman Harris:** Sure.

**Heidi Miller:** All right, perfect. As part of that too, there's four components there. Essentially, there's a market study and that's how we evaluate external equity. There is an internal equity analysis, which is the point factoring system or what you all currently know as the Oliver System. Then we essentially take those two pieces, we analyze them, put them together, and we come up with our recommendations. I make that sound quite simple, but obviously, you all know that there's a lot more involved in that which I'll let Ryan expand on, on this next slide.

**Ryan Woodward:** Thank you. I think we were supposed to be here a little while ago to talk and we waited a month because we wanted to help everyone get on the same page to where we were. We had extra meetings with HR and some of our team, with every department head that we could, and we got a flurry of emails of just asking can we keep looking into it, questions, which we've been asking everyone to do. If anyone had questions from the data, we kept reporting, trying to be open.

In the last month or so we have been almost reviewing every position again that they've asked us to. There's been position descriptions updated and amended. A lot of questions on the internal hierarchy, did we miss something, better explanations of how a certain department or unit may work. That edit led to some small changes that reflect in the recommendation today that we're bringing.

Some of the big ones were just some edits to the scales, not necessarily a lot of change in the internal scoring that we've discussed. As we changed [unintelligible 01:24:51] back in, I believe that was November when we spoke to you really on that front of this project. It was some things in the pay scale, where this is just a snapshot of one of the four that we had where we were really looking at where this came from.

We were trying to meet a lot of the goals, which I'm going to have a summary of some of these goals here in just a second. Trying to keep a consistent percentage or something between all the steps. That was one of the goals that we had from what we saw in the old systems. There were some tweaks, and that's where that's not exactly 9% like you see. Those were some of the things that we've addressed in the last month that changed, a lot of trends that we saw to fix and bring forward today's recommendation.

In short, the recommendation I think we have and that the auditor prepared from our recommendation, this is a snapshot of what the total cost estimated would be. Take in mind, this is after the 5.5% COLA that came in late last year. That was part of the other adjustments

when we've had to see where everyone is. Taking the market data, taking the accounts, your benefit package, that's very generous. Taking a look at the scales, we amended your four scales, 10%, five, no shift in one of them, and four to a change in cost to have a roughly \$2.4 million standing as is as we are presenting to you today.

I wanted to make a note that I've identified those nine positions, three, three, three, and zero in respective categories that are currently maxed out by the definition of they are exceeding the maximum range that we are recommending. All nine of those are step eight employees already. They're in top step already.

**Chairman Harris:** In Layman's terms, their seniority has been such that they've moved to the top of the range over the years and they're now at the fullest highest amount.

**Ryan Woodward:** Yes. Their current range is just above what the new range would be already. Trying to show the effects on everyone here. In terms of some of the most questions that we've received, I wanted to give this little snapshot to you also. After the 5.5% was given, and I'm putting that into this for each of the categories, that top number which comes to about roughly 900 employees, is how much are additional increases coming with this recommendation. There are, in this, 202 that are over a step.

As we've analyzed and looked and fielded a lot of questions that come up this, and [unintelligible 01:27:47] more questions, this was a result of some of the changing in the internal scoring. Largely also in that 5.5% increase. In our first model, there had no people over a step. Everyone went into a step trying to adjust from that. It left these 202 just over a step.

As we got, I have that recommendation at the end, that we would recommend to remove the term of Red Circle that has been coming around. [unintelligible 01:28:17] a lot of questions and more adopted policy that, because of the inflation, because of everything that's happened in the last year, to give that 5.5% in terms with this project, these people over a step just keep them going and progressing, getting general wage increase as anyone else. They will get back onto a step when they reach their next step increase at 3, 5, 10 years, whatever their term of service would be.

We'd highly recommend adopting a policy that would change that definition moving forward considering all the things that have happened to get us to here. If there's no other questions on that, I can always come back, I just wanted to summarize some of the goals. Going back and looking from the very beginning, what you guys were asking for. One of the goals, number one was attract and attain qualified employees.

I have here on the top is your old policy, which had a step. Very early on we identified as a goal to help retain. We added that step three, which is at one year. Where it went from six months to three. There's one. Now, to look at someone who's interested in coming to Allen County, they can look at your pay scale and know from the higher date to one year, you're getting almost of 8% to 10% increase automatically in the year to help.

That effect also went to the retain. Where we didn't just squeeze in that one year and kept everything before. Your old scales were 30% spread. We put in that step one and helped it add and also from a lot of the market data we got, that was very low on the max range across the board. There's now a 40% spread uniformly along all the four spreads which had a great

effect on your five-year and more tenured employees here with the seniority. They're all benefiting from that adjustment.

**Chairman Harris:** The amazing thing is this topic, you get into the weeds really quick, right?

**Ryan Woodward:** [chuckles] Yes, I get to answer those questions.

**Chairman Harris:** If you go back to that previous slide, if you can go backwards. Just to remind council and the public is that one of the challenges that we had was we watched a lot of turnover happen as people came on to county. As an Allen County employee, a lot of people were staying here for a short amount of time and they're moving on. What we found is that the increases that were happening were after six months, but then you'd wait three years, and then after five years. In this case, after six months, and then after one year, and then after three years.

By adding that, the employees don't have to wait three years for an increase in a competitive market as it's the labor market tightens and the challenges and inflation and all the things that are going on. Having that increase a little bit sooner in this grid allowed people to say, "Hey, I'm going to get an increase and I have to leave and go somewhere else."

**Ryan Woodward:** If Heidi can speak more. She identified that issue early and is also something we're well known in public employment, that turnover rate at the under three-year mark. We identified a lot of your peers do have a step at one year, so we thought if we were adding that, we're really hoping it'll help with the attracting this hiring issue that's been presented.

**Ms. Heidi:** I think that's a generational thing too. It's not just our labor market. It's what you're seeing with the current generation that's in the workforce. Millennial down on that they don't stay at jobs as long, so hopefully, that's just another way to attract and keep them there.

**Councilman Lagemann:** Discussion.

**Chairman Harris:** Yes, please.

**Councilman Lagemann:** Can you speak to the other communities that we've benchmarked against? Give everybody a sense of where did we look for competitive wages and how did we make sure that we're setting this? That's question one. Then question two is, as department heads identify and hire on people with a significant experience, how are we going to deal with that in the future? Is that part of the commissioner's resolution? If somebody's got 20 years experience and, for instance, a engineering degree and have the opportunity to be hired by the Highway Department, where that experience is directly applicable, how do we treat that? Could you answer those two questions?

**Ms. Heidi:** I will speak to the market. When we did the wage survey, we selected basically your larger communities in Indiana. I apologize, I'm going to try and say them from memory here, but I know was Lake, we did the City of Fort Wayne. I've already forgotten.

**Nancy Steigmeyer:** Hamilton

**Ms. Miller:** Hamilton, thank you. There was one more. Was there not.

**Councilman Lagemann:** Vanderburgh?

**Ms. Heidi:** What did you say? I'm sorry.

**Councilman Lagemann:** Vanderburgh.

**Ms. Heidi:** No. Regardless. I'm pretty sure there was one other. Then we also did some out-of-state. There was an Illinois, there was a Texas and those had been selected based on communities that had been used historically for wage comps as well.

**Chairman Harris:** By Allen County.

**Ms. Heidi:** By Allen County, yes. It was a mixture. That was the market that we used for the wage survey. Then to answer the second piece of that question about if an employee, or not an employee, if you have a job candidate and, let's say, they have 10 years of experience in that role that you're hiring for, one of the things that we will be looking to do in the second phase of this is how can we bring them into the scale higher than just the minimum? One of the ways that we would probably potentially doing that is basically match it up with the scale up here.

If they have three years, they come in at step four. If they have 10 years, they come in at step six. Obviously, it would have to be a vetting process through HR to look at that experience and determine if it's truly related experience.

**Councilman Lagemann:** Just to follow up on that, does that need to be part of the ordinance? Maybe this is a question for Nancy or Nick. Does that have to be part of the ordinance or is that just a practice that HR can adopt?

**Nancy Steigmeyer:** That would be a part of our pay philosophy that we would adopt. That would be discussed at the compensation committee level on what we feel appropriate and where we're going to be able to move that scale and what our cap would be on that.

**Chairman Harris:** Cautionary. Yes, go ahead.

**Councilman Lagemann:** For my part, this is really important to be able to, and I see our surveyor in the room, it's important to be able to allow for lateral movement from either the private sector or the public sector with direct specific experience in that area of expertise and not have to shove people all the way back down to step one. If we're going to bring them in and we know they're going to be exceptionally good at their job because they've proven that over a period of time within their career in really specifically the same job category.

**Nancy Steigmeyer:** Absolutely. We want to bring people in that have the skillsets. We want to also be mindful and cognizant of the current workforce that we have within Allen County so it's not detrimental to them that we bring somebody in at a higher level if they have the same experience. We have to figure out what all that looks like, the complexities of all those pieces as we move through Phase 2.

**Chairman Harris:** Again, the cautionary note on that one is if I'm a hiring manager, I'm always going to want to go to the highest amount, right? From a council perspective and a budgetary comment is we may not be able to go to the highest amount in terms of our recruitment because if we do, we're simply going to blow the budget by everybody all hiring. If I'm a hiring manager, I'm going to want the most experience, and if council's willing to pay

for it, I'm always going to go for the most experience. We're going to have to find that balance somewhere in there.

Maybe we identify specific jobs that fits with and others don't, but that cautionary note of moving that one forward is going to take a little bit of time, thought, and analysis at this point.

**Councilman Lagemann:** The point there is right now, we don't have that flexibility within the departments. If, for instance, the surveyor wants to hire someone who has a PE, an engineer, and 25 years experience, they would start off at step one, which doesn't make a lot of sense because we're bringing that individual in based on knowledge. I certainly understand Councilman Harris's concerns, but giving this flexibility to HR and to the departments is absolutely critical for us to competitively hire in the future.

**Nancy Steigmeyer:** It also will help us to move away from having numerous special occupations because that's been the way that we have done it in the past. We want to develop a pay philosophy around that that's workable for everybody.

**Councilman Lagemann:** Thank you for that clarification too.

**Nancy Steigmeyer:** Absolutely.

**Councilman Lagemann:** Because that's super important. Those special occupations have screwed up the consistency with which we hire.

**Nancy Steigmeyer:** Absolutely.

**Chairman Harris:** You've got a couple more slides too, please.

**Ryan Woodward:** Your question, I jumped to my last slide, I don't think you saw that when you were talking. It was something I was going to bring up. It's something we have identified and brought up, we haven't put it into words exactly as you were mentioning. There's a couple of things we want to address to make sure it's a great policy, but before we put it into words and bring it forward and we expect to bring it very soon. Because it's an issue we saw while answering the goal that you had of the special occupations. I went through last night and checked that when we first got the roster, there was about 141 and I've gotten almost all but 30 I think onto a scale as is now and it went very well.

Some of those are chief deputies and things that will probably remain off. That will be our recommendation. There are still a couple of other positions that I believe we can get onto at pay scale, but I need to fully address that issue first. If we put them out and I want to put that into words, that is something we've seen, not only from the peers in the market, what else is doing it for the best hiring of who you can is to look at that experience and change a different philosophy, a different policy, and bring it forward to you all.

**Chairman Harris:** That's a great point because a special occupation category was created for that very reason that we had no way of identifying previous experience in that talent.

That's talent level that was needed. Instead of putting them on a grid, we called them a special walk and hired somebody with 20 years experience or something. That's how that was done. What we're trying to do is get them back onto a grid, but still figure out a way to recognize those key positions that we need to experience and talent in, so very good. Other points?

**Ryan Woodward:** The other point, and they all can almost blend because we've been doing the internal factoring, which I spoke at length back in November of changing Oliver to the internal factoring where I'm looking at actual words, actual language that is in current job descriptions and using your own language to sort around and score them. Which is why you see an increase in pace classes where you had 10 in the pa-- I have 13 now. The OSS went from six to nine. LTC went from 7 to 10. I'm spreading it out because you're seeing it in their own language, but also about bringing in special occupations in that.

Put in some more people who had to help get the spread or we'd have a major compression issue which was another one of the goals, which is why I mentioned in there that the executive pay scale is another thing, a phase we want to bring out very shortly. It was determined on where are these scales going to be set and approved so I don't have another compression issue. All those are coming on, and so those are the things you're seeing, is why it looks bigger, why it's all spread out. We're trying to meet the goals of using their own language to put the right positions in together and fix the special occupations and those compression issues.

**Chairman Harris:** Their compression issue, so by adding an additional step Level 8 in some of those cases, you've added that. What it's done is it's taken a manager or a supervisor or somebody in a leadership role, and now the ability for their employees to come up is going to come right up to them or maybe even surpass them, so we've got to go back and now look at those supervisors, that executive grid, if you will, to say how do we make sure that there is not compression to the point that the employees are making more than the managers.

**Ryan Woodward:** I know it's in small print there, but another one of those goals was about those promotional opportunities. Showing the employees how that growth can be and to reach the top, if there's compression issues, it discourages some people from pursuing a new career change and job opportunity because the pay is about the same. Showing that now that your supervisor might be two steps ahead of you, and then that department head even higher can hopefully just change some inspiration with that.

**Chairman Harris:** With your challenge as well as council's, and by the way, we've got a subcommittee, compensation committee that a number of us sit on right now that's helping in this process. The challenge for you and us is to try to get this before our budget process coming up in order to adopt a number of these additional changes, part of the budget, and then be effective January. Is that accurate from that standpoint?

**Ryan Woodward:** Yes.

**Chairman Harris:** Council, other questions, comments at this time? We've got a couple of items before us. One is the resolution amending the red circle policy. That's been a contentious issue, I think, for a lot of employees because of the grids. The fact that people received a little bit larger increase last year, it put them into situations that they looked as if they could not get a further increase. The confusion, I think, for employees was that they would never get a raise and that is not accurate. What it basically said on the grid, they wouldn't be able to move today, but as the grid moves, as it does every year with some kind of an annual increase, they would easily be.

What you found from the red circle, the majority, the extensive majority of these employees were just slightly above that threshold. That a 3% increase, as an example, would have taken care of, but we've now gone back, you've gone back and looked and said, "What can we do to



modify that slightly?" You took care of a lot of those red circles, so that's a non-issue. Then we have before us a red circle policy that we're modifying, I think, as well. Is that accurate?

**Nick Jordan:** Yes, it is in your notebook.

**Chairman Harris:** Yes.

**Nick Jordan:** In your notebook, I'm not sure of that.

[background noise]

**Chairman Harris:** It's not got a page number listed on it just towards the end.

**Nick Jordan:** I think it's 99 or at least something like that.

**Chairman Harris:** Maybe about 87.

**Nick Jordan:** It looks like this when you get there if it wants [crosstalk].

**Chairman Harris:** Great view. [laughter] It's page number 87.

**Nick Jordan:** It doesn't look that pretty. It's page 87. I don't know why it's there.

**Chairman Harris:** One of the things that we talked about, Council, was the idea that if, as we passed, and I think it's handwritten on here, right? That as we passed this proposal today, that no jobs would be able to be brought forward for reclassification in a six-month period. Now, the challenge is, when we adopted this, we were six or nine months out from the budget process. Now we're about three to five months out from the budget process. If we were to adopt it saying six months, we would effectively miss the opportunity for jobs to be looked at during the budget process. I open up for discussion on that. Am I saying that accurately?

**Nick Jordan:** Yes, that's another page in here. It's be following up. You see what you had adopted previously and scribbled it all up.

**Councilman Kerley:** I've got what we what we discuss at the compensation committee already written down, so-

**Chairman Harris:** You want to--

**Councilman Kerley:** -I'll motion to make that amendment after we do the red circle policy.

**Chairman Harris:** Okay. All right, so with that, any further discussion? If not, I welcome any movement forward.

**Councilman Kerley:** I just want to explain how the red circle policy would change the way that we will propose a resolution. Anybody who's not maxed out or at the top of the grid, they would still be eligible for their annual COLA increases, and then eventually, they would catch up with the grid. As they move along, when they get to their next step, they may not get a full 9% step increase. It may be a little bit under that, so they align up to the grid when they get to the next step. Instead of waiting until they get to that point, they will get raises every year just like everyone else does. It just may be a little bit smaller step increase when they finally get to that step. Is that correct?

**Ryan Woodward:** Yes, sir. Based on the discussion, everything we looked at, that term [unintelligible 01:46:37] wasn't known to us until recently on how it was applied or even if there was a resolution in place. It was never our intention with seeing how that was affecting from the beginning of the year to that. That would have the effect and I think my opinion would be that the way the circumstances that brought about the five and a half, I think it was part of a separate part of this and just keep it going until they get on the step. It shouldn't be too long.

**Chairman Harris:** It's particularly appropriate, I think, under circumstances of hyperinflation or inflation that might be going on. That we still recognize some kind of an increase on that annual basis when that's adopted and such. This fits nicely, if you will.

**Councilman Lagemann:** Mr. Chairman. Can you talk to how many people this is going to affect, the red circle policy? Like A, who's currently there? How long will they be there? Then what's the anticipated change in the coming year for their situation?

**Ryan Woodward:** I'll answer that in two parts because if, hypothetically, that resolution and the wording that I've seen proposed to you to remove the old definition and just go forward, just letting them still get in, that affect all the 202. They can go ahead and continue to get a raise as however it turns during the budget season or whatever and they would have no fear of just because they're slightly over being stopped for a year or two. If this doesn't go into effect within a year, if you give a 3% raise in a year, that 202 would be on a 22.

**Chairman Harris:** 202 down to 22 people.

**Ryan Woodward:** Correct. That would get back on and be even with a step and not be red-circled anymore.

**Chairman Harris:** For employees out there that might be identified as a red-circled employee, they should understand that should council adopt a 3% increase this year, effective in 24, there's only going to be 20 people that that impacts next year. Otherwise, everybody would still get some kind of an increase at that point.

**Ryan Woodward:** Oh, yes. My understanding of red circle, if the red circle term stays about 22 total in about a year, if the red circle goes away, then it's a mood issue that just a couple of people are going to be overstepping and it all fixed itself. Everyone will be on the step soon, but everyone will be treated the same.

**Chairman Harris:** Nick, just a procedural question, do we need to read that entire document?

**Nick Jordan:** No, you don't need to read. Just read the top. The only thing you need to clarify is for operational purposes, for the second paragraph, those that will get the percentage increase, do you want us to base that percent on their higher salary or the lower step salary when we give that percentage increase? If you're red-circled or if your wage is reclassified, if you got to a 3% raise, is it on the \$50,000 or is it on a \$40,000 step that they're at? We need that for procedure and we do the budget later.

**Chairman Harris:** It would have to be what they're currently making.

**Ryan Woodward:** Yes.

**Nick Jordan:** Huh?

**Chairman Harris:** It would have to be what they're currently making. You couldn't give them a percentage based on what the level was.

**Nick Jordan:** The annual increase you give could be anything. I'm just using the example of a percent. In that regard, you could choose to choose the higher one, you could choose to do the level one.

**Ryan Woodward:** I think we always looked at it, it's the 3% is on their-

**Nick Jordan:** Current salary.

**Chairman Harris:** Current salary.

**Ryan Woodward:** -current salary?

**Nick Jordan:** That's fine. That's perfectly fine with us. I just needed that clarified. We had a department already ask, so when the time comes, we know that's what council adopted

**Chairman Harris:** By the way, this discussion during the Comp Committee was unanimously adopted, I think, from the Comp Committee at that point. With that, is there a motion?

**Councilman Kerley:** I will. I will make a motion for resolution 2023-03-16-03 Allen County Council policy regarding reclassifications positions.

**Councilman Lagemann:** Second.

**Chairman Harris:** We got a motion and a second. Was that the first item?

**Councilman Kerley:** Yes.

**Chairman Harris:** Okay, very good. Questions, comments?

**Councilman Fries:** Discussion.

**Chairman Harris:** Yes.

**Councilman Fries:** Just to make sure that we have in there so the auditor knows that paragraph two, their increase will be based on their current salary.

**Chairman Harris:** That just went into the record.

**Councilman Fries:** Thank you.

**Chairman Harris:** That's a friendly amendment or whatever at this point. Council, any other discussion on this item, this first item? If not, all in favor say aye.

**Council Members:** Aye.

**Chairman Harris:** All opposed? That does pass 7-0. Thank you.

**Councilman Kerley:** I got something.

**Chairman Harris:** Yes.

**Councilman Kerley:** What we talked about, the Personnel Committee was to change that from six months to July 1st for when they could bring reclassifications before us. HR has said they would amend the Personnel Committee meeting scheduled to have a meeting in July so that we could address these issues before budgets were due. With that, I will make a motion to amend section 5, paragraph B of the Personnel Committee guidelines to read. However, no request for reclassification will be considered before July 1st 2023.

**Councilman Lagemann:** Second.

**Chairman Harris:** A motion and a second. Council, any other discussion? Hearing none, all in favor, say aye.

**Council Members:** Aye.

**Chairman Harris:** All opposed? That does pass 7-0. Last item is the 2023 amended classified salary ordinance for comp study.

**Nick Jordan:** You don't need to read the whole thing. It's just you'll make a motion to adopt it. We can read that at budget time.

**Chairman Harris:** Okay, thank you. Questions, please.

**Councilman Lagemann:** One of the key questions that was posed to me by some of the folks who are concerned about this is we have a bit of a delta between the community corrections folks and the confinement officers at ACJC. Can you walk me through that delta, that difference? What is the difference specifically? Then can you help me understand the justification for that?

**Ryan Woodward:** Yes. That's a part of all those steps that we talked about earlier. Looking at the market data locums that we looked at, reading all the descriptions, putting together a new point factoring system to look at the duties as they're listed and taking all the comments that we've been provided on explanations, on how they work, on what HR knows from their dealings with the whole county and put it all together and it comes in to system. We had two different market data points, so we knew there were two different classes between all those similar positions and there's a line in there based on how many different factors that we're looking at, and the line, that's where they are.

That's one of the things from the last month that we changed. Was the second part of that C scale for the ones that fall below the line. Instead of being 9% away, they're only 4.5%. They're very close pay scales, but there's enough justification that we're seeing from reading all the different factoring that we put in that there's two separate grades there as it stands now.

**Councilman Lagemann:** What's that variance? What's the difference between the two pay scales at the step one level?

**Ryan Woodward:** As in dollar amount or--?

**Councilman Lagemann:** Yes.

**Ryan Woodward:** I think I saw it in the pay ordinance, it'd be on the C. You can go to the C grid.

**Nick Jordan:** A dollar 19.

**Ryan Woodward:** Right there, ooh. Right there. It'll be the difference between C2 and C3, so 21.75 and 22.94 all the way across.

**Chairman Harris:** What was the point spread on that? Do you know?

**Ryan Woodward:** Off the top of my head, is 35.60, I think the 230, so there's a 70-point spread between those four or five positions that are all fairly similar in theory. It's just from what we're seeing on the job descriptions and everything too.

**Chairman Harris:** Some of the new job descriptions came in and they got scored higher, but it was actually scored back where you guys scored them originally, I believe, from ACJC. They scored 200. You guys originally scored them at 200. They did new JAQs and they came back in, they got a 15-point bump, but they came back in at 200 again. They're one point below the 201 threshold.

**Ryan Woodward:** Sorry. That threshold, the 201 what you're saying, that's where we're taking the numbers of where the points came in and looking at we had market data for some of the ones in the 160 and the ones in the 230. That's the ones that we had that I can remember and going. The ones that are in that 30, 40, 50 spread, they're more similar to this one, so they're going to be in that pay range and we draw the number. I'm not picking arbitrarily to say which ones. It's looking at all those different factors up to the job descriptions and as they increase. It's the same thing that you see like in the administrative assistant title.

They are all over the place because they are all written differently although they have the same title. These ones that have different job titles, they're all saying some of the jobs duties are the same, but if you could break it down further, Oliver system maybe looked at just three or four things. We're looking at about 10 different things. You look in the education and the training, and the types of duties they're doing, supervision, putting it all together, that's where they start spreading.

**Chairman Harris:** Do you find it a strange anomaly that you initially scored them at 200, and then they were dropped down, but the JAQs got done again, and after JAQs got done and they had more responsibilities and more jobs, they still scored at 200?

**Ryan Woodward:** Not necessarily because not more duties doesn't always mean more points, sir.

**Chairman Harris:** It seems rather arbitrary.

**Councilman Kerley:** They originally scored 185.

**Chairman Harris:** No, they originally scored 200, and then we're down to 185 and they got back up to 200. It's one of the challenges for compensation analysis is that a lot of people equate those additional duties for more points, and sometimes by putting more duties in, it doesn't. I think the bigger problem from the county's perspective, we've had this a long time,

and big organizations have this. We had a chance to speak to the judicial, the judges as a whole about this is that there are a lot of similarities in judicial of different kinds of jobs.

We're going to have to figure out a career path for people through the judicial system because what's happening is, when you've got a lot of similar kind of jobs, they're jumping for a quarter, jumping for a dollar, but they may be jumping for opportunity too. As they jump all over the place, everybody's coming back to, "It's the dollars, it's the bucks." If we could figure out a career path that when you come to Allen County and you want to move into the judicial system, maybe you can start here and you move to this job and you move to this job. If employees understand that, they can follow that.

Now, what we've got to do is get the department heads and elected officials to adopt or agree that, "Hey, I'm in the first step. That means my people are going to come and they're going to leave because they're going to this other job." That's not an easy thing to do because you never want to lose people. That would be our challenge, I think. I've seen this in large organizations, you've got to create a career path.

Otherwise, people just jump and we're all competing against each other and all the department heads, elected officials are competing against themselves and it's not helping us as an overall organization. We've got to get that fixed and possibly we can have more discussions in the weeks to come, months to come here on that one. Other thoughts, council?

**Councilman Lagemann:** I do have a concern about that delta. I don't want to hold up the entire study. How many people is this going to affect positively? Over 900, right?

**Ryan Woodward:** Yes.

**Councilman Lagemann:** Over 900 county employees that will have a positive effect on it, so I don't want to hold up the study for one department, but I do firmly believe that as we compare and take a look at the point scoring between ACJC and community corrections, that those at least ought to be consistent between the two of those. That's a big concern for me.

**Chairman Harris:** That will be a further analysis or further discussion, I think, going forward. You're not looking at that as an amendment to this.

**Councilman Lagemann:** No, I want to voice my concern on that. That is something if we don't address it sooner, I certainly want to take a good, hard look at it later.

**Chairman Harris:** That's fair. Council, any other comments? Hearing none, do I have a motion to move forward on this process?

**Councilman Kerley:** I will motion to pass the 2023 amended classified salary ordinance for comp study.

**Councilman Lagemann:** I second.

**Chairman Harris:** I got a motion and a second. Any other discussion? Hearing none, all in favor say aye.

**Council Members:** Aye.

**Chairman Harris:** All opposed?

**Council Members:** Aye.

**Chairman Harris:** Six, four, that's five.

**Councilman:** Five-two.

**Councilman:** Five-two.

**Chairman Harris:** 5-2(Hale & Fries). That's a math problem. All right, five-two. All right, very good, that passes. We want to thank you for this first step, for this first process. It's been enlightening in and gave us a further understanding of where we're at and where we need to be as well as, in many cases, we're pretty close to where we need to be. That was healthy, but we particularly look forward to the next steps to see if we can get this entire process completed and strategically set for. The good news, council, we only do this every five or seven years, so I'll throw that out.

**Nick Jordan:** I was just going to add. I failed to add it before you did the motion, but it will be effective the first full payroll that starts on March 25th, and then it'll be paid in mid-April. We need this time to enter all the different changes because it's "all" the different changes into the financial system.

**Chairman Harris:** Extensive amounts. Very good. Again, thank you. Yes, please go.

**Councilman Kerley:** Did you want to talk about the software, Nancy?

**Nancy Steigmeyer:** One of the other recommendations that Clemans has, I think, on their last slide, which I think that's gone now is a recommendation to invest in the comp analyst software, which is one of the tools that they used for comparison as well. That would be something that would help us consistently as we bring new jobs and reclassified jobs to the market for personnel committee to have data that supports our scoring as well to look at that. We would look at that from where we're recruiting from, ZIP codes, and areas that match up to what we're looking for.

It would be a data point. It's a nominal, it's really inexpensive. I think it's \$5,000 every two years. That was one of the things that Clemans had brought to us as well.

**Chairman Harris:** That can be discussed and maybe brought forward in the next council meeting or something at this point.

**Nancy Steigmeyer:** Okay, great. We'd like to purchase that and move forward with that tool just as another supporting [crosstalk].

**Chairman Harris:** Out of time.

**Councilman Kerley:** You don't need funding, right?

**Nancy Steigmeyer:** No, I think we can probably find funding in our department.

**Councilman Kerley:** Okay. Nick, we could approve that today, yes? If she doesn't need funding. Or she could just do it.

**Nancy Steigmeyer:** I can work with that.

**Nick Jordan:** The funding exists. There's no approval necessary from council. If it's a contract, then the commissioners deal with that, but if the funding's there, you guys are good to go.

**Nancy Steigmeyer:** Okay.

**Councilman Kerley:** Okay.

**Chairman Harris:** Very good.

**Nancy Steigmeyer:** Thank you.

**Chairman Harris:** Thank you.

**Nancy Steigmeyer:** Thank you.

**Chairman Harris:** Thanks. Council, let's see, next on the agenda, recent in upcoming meetings, anything that we need to address.

**Councilman Armstrong:** I met with the surveyor's office next month that it'll be brought up software program to update the engineering drafting aspect to meet with the city, the county. The city using it, the county needs to use it and be able to compete and be on the same grade with the engineering process and development drafting. Just a little heads up that'll be brought up next month.

**Chairman Harris:** Okay, great. Thank you. Other meetings, any upcoming meetings? If not, liaison assignments. Any updates from liaison assignments? Hearing none, Paul.

**Councilman Lagemann:** Council-

**Chairman Harris:** Would like to move?

**Councilman Lagemann:** -I would like to move the approval to waive the second reading on any matter approved today, which may be deemed necessary for the county council meeting of March 16th, 2023.

**Councilman:** Second.

**Chairman Harris:** A motion and a second. All in favor to say aye.

**Council Members:** Aye.

**Chairman Harris:** Opposed? That does pass. The next county council regular meeting will be held 8:30 Thursday, April 20th, '23 in the chambers room of Citizen Square. With that, I'll accept a motion to adjourn.

**Councilman:** So moved.

**Councilman:** I move to adjourn

**Chairman Harris:** We are adjourned. Thank you very much.