

**ALLEN COUNTY COUNCIL MEETING MINUTES**  
**July 20, 2023**  
**8:30 AM**

The Allen County Council met on Thursday, July 20, 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: Tom A. Harris, Josh L. Hale, Kyle A. Kerley, Ken Fries, Robert A. Armstrong, and Don A. Wyss. Absent: Paul Lagemann

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

**Tom Harris:** Thank you. As we begin our meeting this morning, we ask for council, if you've had a chance to review minutes of June 15th and the July 6th executive session. If you have, is there a motion to approve those minutes?

**Don:** Motion to approve.

**Robert Armstrong:** Second.

**Tom:** Motion and a second. All in favor say aye, aye.

**Robert:** Aye.

**Ken Fries:** One abstention.

**Tom:** One abstention, okay, passes 5-0-2(Fries & Lagemann). All right. Next up is the financial report. We're going to have an extensive discussion about the financial as we move into the budget. We're going to move that section toward the end of today's session. Total appropriations requested in the general fund today is \$60,000, total appropriations requested in other funds is \$5,755,001. At this time, we open it for public comment. Let me ask before we-- are going to move public comment to the second item on the agenda.

We're going to do economic development first. Is there anyone here that wanted to speak regarding the economic development item on today's agenda? Hearing none, let's go ahead and move forward with economic development items. The planning department, if you'd like to come forward. Good morning. If you'd like to introduce yourself and your titles, please.

**Rachel Black:** Rachel Black, Allen County, Economic Development.

**Rob Young:** Good morning, council. My name is Rob Young, I'm Vice President of Business Development for The Hagerman Group.

**Tom:** Good morning.

**Steven Ma:** Good morning. I'm Steven Ma, I'm the Managing Director of SH America.

**Tom:** Welcome.

**Rachel:** Good morning. For your consideration is a resolution to approve a waiver of non-compliance for failure to submit the completed statement of benefits forms before applying for an improvement location permit. A little background on the property and the project. OMD Holdings LLC purchased over 148 acres south of the county Stonebridge Business Park in 2018 to create Stonebridge three business parks. In July of 2021, OMD Holdings LLC, Silverado Hagerman Properties LLC was approved for an amended primary development plan for two 150,000-square-foot shell buildings.

The project investment for the two Shells was estimated at 16 million and was granted a 10-year tax abatement in October of 2021. SH America Inc is a South Korean-based company that began looking at one of the 150,000 square foot shell buildings within the Stonebridge three business park earlier this year and finalized the purchase just recently. The company will produce cap assemblies to supply Samsung SDI and its joint venture with Stellantis to supply the electric vehicle battery plant that is under construction in Kokomo, Indiana.

They have worked closely with the IEDC, Greater Fort Wayne Inc as well as the Allen County Economic Development staff. The estimated planned investment for the project is 62.2 million. A few details concerning the waiver. On July 13 of this year, three permits were applied for with the Department of planning services that include a total build-out and expansion of the shell building as well as two guard shacks. As stated previously, staff was working closely with GFW and had met the week prior with the applicant.

When the permit was applied for, the applicant had yet to receive the packet for abatement from our department. From my knowledge, at that point in time, details were still being worked out. As stated in the letter that was submitted for the waiver request and that was in your packet for your review. There were multiple subcontractors and consultants that are working on this project for SH America, and they are under an aggressive project timeline due to the needs of the Kokomo plant.

Due to this timeline, permits were applied for prior to the department receiving the abatement application. On June 21st, the SB1 application as well as the letter of the waiver request and the fee were submitted. If the waiver is approved here today, your next agenda item would be to hear the SB1 application for your approval. Mr. Ma and Mr. Young are here with us today to answer your questions.

**Rob:** If I may, Council President Harris.

**Tom:** Yes.

**Rob:** We did supply a brief presentation. We'd like to cut through that quickly this morning. It really supports what Rachel shared, adds a little bit of color to that as well. We'll move quickly through this with-

**Tom:** Helping to understand the non-compliance issue, excuse me, the waiving of the non-compliance. Helping us understand what happened there would be beneficial as well.

**Rob:** As Rachel very accurately stated, we have been asked by Mr. Ma and SH America to move very quickly through the process and as we'll talk about here in a moment. They're under a very tight schedule with Samsung SDI to be able to produce initial product for approval and get into full production as fast as possible to meet the schedule in Kokomo.

We've got a great civil engineering team working with us. They got just a little bit ahead of us on the ILP side as Rachel stated.

It was literally eight days between their first discussion with the county about the ILP and the filing of the tax abatement and SB1 forms. It is that eight days that caused us to go through the waiver of non-compliance process with you and we sincerely apologize for that. It was not for lack of attention, it was largely the result of just the aggressive schedule as Rachel termed it, that we're still under as we talk here this morning.

**Tom:** Rachel, there's generally a fine involved in that process and that has been paid at this point.

**Rachel:** It has been paid, yes.

**Tom:** Thank you. Please continue.

**Rob:** Thank you. Councilmen, again, we'll be very brief. Rachel has shared, but if you look at what's labeled slide one, the second one in your packet, we're really here for two reasons. One, quite candidly, your support of the shell building program here in the county. Also approximately 14 months ago, the amazing announcement of what is known as Starplus Energy, the joint venture between Stellantis and Samsung SDI. The announcement centers around a electric vehicle battery plant being built as we speak in Kokomo.

On the Samsung SDI side, more than 20 suppliers need to be located within the region to be able to support that facility. SH America is one of those suppliers. If you look at slide number two, you see the discussion of the suppliers and the fact that SH America which flows from Shinheung Energy & Electronics Company, Ltd with whom we've been meeting, as Rachel said since late last year, early this year, created the American subsidiary, SH America Inc, formed in February of this year.

Mr. Ma again is the Managing Director of SH America Inc. That battery plant announcement, your support of the shell buildings really leads up to slide three. You see the aerial photos and also the building on the north side, the one with the glass corner, if you will, is the building that late last month SH America finalized the purchase of. I failed to mention up front, we have three others from our team here, including Todd Ramsey. Todd is representing Silverado Hagerman Properties LLC. The former owner of that building, Paul Wyman, is here with us from Kokomo.

Paul was and is the site selector for many of the Korean companies needing to locate in the region. Also, Joe Dunaway is with us, Joe is our Senior Project Manager for this project. Again, on slide three, you see the two buildings. The northernmost building is the one that SH America now owns. As Rachel mentioned, the investment is pretty significant. Not only that initial purchase, which we'll talk about in just a second but also the build-out of that building is \$29.5 million to be able to build it out to serve the needs of SH America.

In addition, they'll be placing \$32 million worth of equipment within the facility to produce the products that will go to Samsung SDI, and that's in addition to their original purchase price of \$11.8 million. Very quickly on page 4, you'll see the site plan which includes on the Westside parking for 300. That will be across the three shifts of the plant. Initial plans are for 400 jobs to be created here, and we'll talk about that in a further slide. Then on page 5, you see the working floor plan for the plant.

It's a little bit hard to see, but on the lower rectangle, if you will. If you look from right to left, you'll see the faint outlines of four production lines that represents the first four of what will be six production lines for this facility. Steven can talk about this in a moment. The product to be produced here is basically the cap on electric vehicle batteries, and this is a special patented cap that has a venting system.

We've all been hearing about the occasional vehicle fire with electric vehicles that's largely due to the pressure that builds up within the batteries. The beauty of the product that Steven and his team will produce here in Allen County is a vented situation that alleviate some of that pressure. Will greatly reduce or eliminate the potential for battery fires at least in terms of the batteries that they have a hand in producing. There will be no batteries on site here.

This is simply a component manufacturer for the products that will go to initially the Kokomo facility. On slide 6 to reiterate the numbers, 11.8 million building purchase, 29.5 build out, 32 million equipment. A total initial investment and I promise you this is Phase I of many phases to come is an excessive \$70 million, 73.3 million specifically. As I mentioned a moment ago, 40 jobs to be created. You can see the payroll-

**Tom:** It's 400.

**Rob:** I'm sorry. 400. Yes, not 40, 400. Thank you, Tom. 400 jobs to be created. Payroll over \$22.5 million annually. That makes the average annual pay 56,475 across those 400 jobs. Again, on page 7, we apologize for the eight-day gap between the two filings. On page 8 then, there are some additional considerations, and we need to be careful not to overpromise and underdeliver. There is another battery plant announcement that was renewed just a couple of weeks ago.

You may recall late last year, there was discussion of a GM, LG battery plant for New Carlisle in St. Joseph County near South Bend. That announcement was put on hold in January of this year, but it came back just a few weeks ago with a new partner. Ironically, Samsung SDI has replaced LG in that announcement in New Carlisle. If you think about this situation, SH America will likely be a supplier for Samsung SDI at the New Carlisle facility.

That means nothing but good things not only for this facility that we're talking about here in Allen County, perhaps other investment here, and perhaps investment in that region as well. We have a great thing going in the state of Indiana, not only with EV battery plants but with South Korean investment overall. On slide 9, and you may have caught this a couple of weeks ago, but the Indiana Economic Development Corp has established now an office in South Korea as well.

It's one of the foreign offices looking for foreign direct investment in the US and specifically here in Indiana, so we've got a great thing going. Steven is an incredible ambassador for this region and has been talking with his fellow countrymen representing companies that may in fact be interested in locating here in Allen County as well.

We're close enough to Kokomo, we're close enough to New Carlisle to be easily serving those facilities as well. In closing our sincere request is you accept our explanation for the waiver of non-compliance, and we sincerely ask that you approve our real and personal property tax abatement applications as submitted on June 13th. With that, Steven and I are happy to address any questions as well as our team members behind us.

**Tom:** Mr. Ma, welcome to Allen County in the state of Indiana. Welcome. Council, I'll open it for any questions at this time.

**Ken:** Mr. Young, first of all, I think you do a great job representing them, and also Hagerman Construction always very professional. My concern is when you say they were in a hurry to get this done because there's such a push to get these things made, and you say there will be no batteries on this property, correct? Because that's a big concern, hazardous materials, and fires. Okay. I see that SH America was just formed in February of this year.

**Rob:** Yes.

**Ken:** How much federal money has either Samsung SDI or SH America gotten from the infrastructure program, do you know?

**Rob:** Federal money for infrastructure?

**Ken:** Yes, from the infrastructure bill that was passed. Have they gotten federal money for any of these constructions?

**Rob:** I'm not aware of that, and Mr. Ma is indicating no.

**Ken:** Because I wanted to make sure that we are [unintelligible 00:16:18] on top of that. I guess the biggest issue I have with it, and it's really not your fault as much as is ours. You guys are in asking for an abatement so you don't have to pay as many taxes. Then you're going to have 400 employees that I know later on this meeting, we're going to talk about taxing your employees more to build a jail they don't want. I have to try to wrap my head around that. How we give you an abatement, but yet charge your employees more money. That's the issue I think I have with this abatement.

**Rob:** Councilman, you do obviously have the calculations and it is not a full tenure abatement, it's not a super abatement. It is the normal phase in process over the 10 years. So SH America will be paying taxes effectively year two and that will increase over time. In addition, as you pointed out and we've got nothing to do with the jail project. We're here to talk about SH America.

There will be payroll tax county economic development income tax paid by the company and those employees. We'll be significantly adding to the tax base not only initially, but also through further phases here. We did agree to the 10% giveback as requested in the form. At the end of the day, I think you're looking at the newest employer of choice, quality employer-

**Ken:** I hope so.

**Rob:** -here in Allen County. I believe this company will do more than its share to support local tax base and the community at large.

**Ken:** I assume the company's going to comply with all the regulations and standards, and even work with the local emergency planning committee.

**Rob:** That's exactly right. If you look at that floor plan [unintelligible 00:18:01] the point, or the site plan I should say. There's an emergency ring around the facility. We've taken that into account. One of our first stops was with the fire marshal because of the fire suppression system needed for this facility. Literally, our first meeting was with the fire marshal to make

sure we were in sync with what's needed for this facility. The nearest example is their facility in Hungary, and so we're using that as an example but then adapting it to the local standards here. There's been a heavy emphasis on emergency services and protection.

**Ken:** Thank you.

**Tom:** One of the questions that's come up in being a facility in the southwest part of Allen County is the fire department, some of the needs and such there. Thoughts on that, I know we've had some preliminary discussions about that.

**Rob:** We're very familiar with the relatively new fire district system here. We're actually working with a different district here in the county as we speak. We're well aware of some of the concerns of the southwest district. I'd encourage council at some stage to look at the 10% giveback to see how that could be possibly utilize to support the fire district.

More specifically, Mr. Ma and our team have talked about this, and they are fully willing to meet with the district. Talk with them about their needs in the name of being a good corporate citizen and consider support of the district outside of what we're talking about this morning. We're excited to have that meeting. In fact, we had that very discussion with Councilman Hale yesterday.

**Tom:** Council, other questions at this time?

**Don:** Once again, thanks for being here this morning. I appreciate our chance to get together and talk earlier in the week. My question is, is this more of a-- or my comment is more of a just emphasis again on the southwest fire district and the continue discussions that we're doing with the chief there. I'm really happy to hear about the comments in regards to being good corporate citizens and addressing those, and just the communication as this project potentially and hopefully moves forward that we have good communication with the fire district out there.

**Rob:** Absolutely.

**Tom:** Council, any other questions, comments at this time? If not, first consideration, or first issue up is item number one, that's a consideration of resolution of waiving noncompliance from this project.

**Robert:** So moved.

**Tom:** A motion. Is there a second?

**Ken:** I'll second it.

**Tom Harris:** A second. Any other discussions on that item? Hearing none, all in favor say aye.

**Council:** Aye.

**Tom:** All opposed. That does pass 6-0-1(Lagemann). Second item is therefore the consideration of the resolution approving the statement of benefits. Do I hear a motion for item number two?

**Don:** So moved.

**Tom:** Motion. Is there a second?

**Robert:** Second.

**Tom:** A second. Any other discussion? Hearing none, all in favor say aye.

**Council:** Aye.

**Tom:** All opposed. That does pass 6-0-1(Lagemann). Good.

**Rob:** Council, thank you very much.

**Tom:** Yes, thank you very much, and welcome and we wish you the best of luck. Thank you very much. All right, the third item before us. Rachel, I'm not sure, is this your item or--?

**Rachel:** It is. I have three and four.

**Tom:** Yes, yes. Very good.

[silence]

**Rachel:** All right, so we have a consideration of resolution 2023-07-20-03 to waive noncompliance or terminate approval with statement of benefits for Stonebridge Property LLC. At your last meeting, you found that Stonebridge Property LLC was in noncompliance for failing to file their statement of benefits within a timely manner. Just to give you just a quick reminder. This originally was ICON Exhibits LLC, Silverado Properties LLC, and they were granted approval for tax abatement in 2013 for its real and personal property investment of \$7.3 million.

The property was purchased by Stonebridge Property LLC at the end of 2020, and ICON Group Delphi was acquired by Sparks also at the end of 2020. Sparks leases the building for Stonebridge Property LLC and is responsible for submitting their tax abatement deduction paperwork each year. As the company was late this year, they did submit those documents on June 23rd of this year along with the \$500 fee. The letter that is in your packet for your review earlier, I believe you received that last week, written by the company's controller.

After review of the CF1 form, they are found to be in compliance with your tax abatement policy, and they, as I said, they were granted a 10-year approval and they are in year nine, so they are coming to the end of their abatement. There are two resolutions for your consideration this morning. One of those is to grant a waiver of noncompliance that would allow them to continue on with their abatement, and they would receive their tax deduction for 23, pay 24. Where the second resolution for your consideration would be to terminate the deduction for the entirety of the rest of the time, so for the years that were remaining. Steve Callaghan is here, if you have any questions for him or myself.

**Tom:** Good morning, welcome. If you'd like to help us understand how this occurred, maybe.

**Steve Callaghan:** Yes, thank you. I'm the general manager for the facility. Our CFO unfortunately passed the beginning of the year, and this is one of his tasks that was for his to-do amongst a few other things. When the mishap happened, need to say our company was in

a little scramble because it wasn't something foreseen. He went in for a small procedure and didn't come out of the procedure.

That being said, again, we had a few other items that was overlooked, and when this came about on there, again, they went into panic mode to get it corrected on there. We were in the process of hiring a CFO to replace that, and then trying to figure out what was being missed that was on his plate. It was a misfortune, an oversight, it wasn't intentional.

**Tom:** Well, thank you for being in compliance over a nine-year period, I think, from that standpoint. Council, other questions at this time?

**Kyle:** Good morning, thanks for being here. My concern is just one person, unfortunately, unexpectedly passed, but talk a little bit more about the structure of your finance department may be, and how many people are involved other than the CFO.

**Steve:** The main headquarters is located in Philadelphia, so we're one of five facilities. During the COVID they acquired two other companies, so there's still a lot of merging going on within our company out of Chicago and Fort Wayne joining Philadelphia, Atlanta, and Vegas. A company that went from 300 is now 600. We got a lot of moving parts going on in our infrastructure and trying to backfill that it's been a challenge with the employees, as everybody else is experiencing that right now.

It's one of those things where everything of that takes place in Philadelphia. I don't have a lot of visibility on it, and again, it was a surprise that I have to come back here and sit in front of you and ask for forgiveness in a sense of the mishap that took place. Yes, there's just a lot of moving parts going on right now. It is on the radar. We have a new CFO. I guarantee it's not going to be missed next year.

**Kyle:** Okay. Rachel, refresh my memory, this is the second consecutive year, correct?

**Rachel:** Yes. Last year what happened was, I was unaware that the property changed hands, and so I couldn't contact anyone to renew. I do an annual reminder. Usually that takes place in the first part of April just to help out our companies as a reminder to submit their CF1 forms. Sometimes I send them out, and then the person no longer works there. If it doesn't get sent back to me, then I don't have an opportunity to try to reach out to someone else. When I did find out that there was a different person to contact, I was able to get in contact with them and that's why I was able to bring Steven here last year.

**Steve Callaghan:** If I may.

**Tom:** Please.

**Steve:** One of the issues we had last year is when Group Delphi was the name and the parent company was in Alameda, California. When Sparks acquired it with our clientele and purchasing, we couldn't change it to Sparks. They made the decision to keep it Group Delphi Exhibits LLC. When Group Delphi sold that division of the trade show to Sparks, it got confusing to be honest with you, because a lot of the mail was getting sent to Alameda because it still had Group Delphi and not the LLC on it. That's where Rachel's mail going to that address was going to California, which that division did not withstand COVID.

They ended up going out of business, so it was going to a PO Box that no one was responding to. That's how we first got into this. They had to keep the name in a sense of



Group Delphi Exhibit LLC, because again, Microsoft, a lot of our big clients, Google, they go back into procurement and change that name when we already have contracts on it. That's why they kept that, the way they worded it and it got to be confusing.

**Tom:** You might for the public help us understand what you do, and maybe your footprint as well. What's that look like? Is that regional, nationwide in terms of what you do in that business?

**Steve:** Sure. Sparks is a large global facility. They're branding, exhibitry, museum events. We work with clients like Google, Microsoft, SDI here locally, Medtronics. We do exhibits and trade shows out of my division, but globally we are through five other locations as well, through California into Europe on there. What we do is a lot of branding on there. Again, it's one of those things where 600 employees is now where we're at.

Still growing on there. The events that we work with the clients, the contracts they have, they're not easy to go in there and just change a name. That means we would have to go back out to bid. A lot of the works that we have, like Medtronic, they had 300 shows where we're doing five or six trucks a week. For that just to stop, it wouldn't have been a very good situation for anybody.

**Tom:** Business looks good. How are you looking at business both nationwide and regionally, and such?

**Steve:** Yes, very good. With the COVID slowdown, we were down for a year and a half, and last spring, the numbers were about 65%, but by fall we were 85%. This beginning, first or second quarter, we're 100%. We've got a lot of work coming in, and we're just challenged like everybody else just trying to find labor.

**Tom:** How many employees do you have?

**Steve:** Out of my facility we have 50, and our building is 200,000 square feet.

**Tom:** You're on your 9th year of a 10-year abatement at this point? How much was the fine, and they have paid that?

**Rachel:** Yes. It was \$500 and they have paid the fee.

**Tom:** Council, other questions or comments at this time?

**Ken:** Motion to approve resolution 2023-7-20-03, waiver of noncompliance.

**Tom:** A motion, is there a second?

**Robert:** Second.

**Tom:** A second, any other discussion? Hearing none, all in favor, say aye.

**Council:** Aye.

**Tom:** All oppose.

**Kyle:** Nay.

**Tom:** Four, five, and one. Motion passes 5-1(Kerley)-1(Lagemann)

**Rachel:** Thank you.

**Steve:** Thank you.

**Rachel:** Thank you.

**Tom:** Very good. We have one last item, I think before us.

[pause 00:30:51]

**Rachel:** If you like to go ahead and introduce yourself, you can.

**Steve Kitchin:** Yes. I'm Steve Kitchin, president of All-Terrain Conversions.

**Tom:** Welcome.

**Kitchin:** Thank you.

**Rachel:** All right. As with the last item you just heard, you found that Standard Saybrook Associates was in noncompliance for failing to file the required CF1 paperwork in a timely manner. I'll give a little background again here for this company. Originally, PB Development was granted approval for a 10-year tax abatement in 2017 for their 100,000-square-foot shell building located at the northwest corner of Fogwell and Lafayette Center Road. That investment was 5.2 million.

In December of 2021, PB Development sold the building to Standard Saybrook Associates. This company is based out of Encino, California, and leases the building to Mr. Kitchin's company, ATC Conversions. They are responsible, again, for submitting their tax payment paperwork. The paperwork was submitted on June 30th along with the \$500 fee, and a letter that, again, was included in your packet.

After review of the CF1, they were found to be in compliance. Again, you have before you two resolutions, one that would continue to allow the abatement, one that would terminate for the remaining years. As I said, there is a 10-year approval and they are in year six, so there are a few more years left on the abatement. Mr. Kitchin and I are here to answer any questions that you have.

**Tom:** Kitchin, if you'd like to explain a little bit of understanding that is ownership of the building and such, but tell us a little bit about your business and such.

**Steve:** We build wheelchair-accessible trucks and SUVs. Basically, it's a gullwing door that opens and allows a wheelchair to enter the vehicle as a driver or passenger. We're the only one in the country that does full-size trucks and SUVs. Our main source of vehicles, we do about 95% GM vehicles in there, everything from Cadillacs, to Suburbans, to Silverado trucks. Then we also deal with Ram and starting a relationship with Ford, the EV vehicles.

**Tom:** Maybe how many employees and also what's your footprint look like in terms of is it regional, is it nationwide, beyond?

**Steve:** We're distributed nationwide. Actually, beyond that. We ship overseas as well. We have 47 employees currently. We are in a expansion mode right now, and so we're probably can meet the demand of about 20% to 30% of the demand. We're looking to expand lines and move a little quicker and do those kinds of things.

**Tom:** Council, other questions at this time? Questions, if not.

**Ken:** Motion to approve Resolution 2023-7-20-4 waiver of noncompliance.

**Kyle Kerley:** Second.

**Tom:** Motion and a couple of seconds. Any other discussion? Hearing none, all in favor, say aye.

**Speaker:** Aye.

**Tom:** All opposed.

**Don:** Nay.

**Tom:** Motion passes 5-1(Don)-1(Lagemann). Thank you. Best of luck to you.

**Steve:** Thank you.

**Rachel:** Thank you.

**Tom:** All right, council, at this time, we're going to switch back and move to public comment. Those that have an interest in public comment this morning that you've signed in, you'd like to come forward and we'll begin to hear those comments this morning.

**Tom:** Good morning. If you'd like to introduce yourself and such.

**Reverend Sara Ofner-Seals:** Good morning. My name is Reverend Sara Ofner-Seals. I live at 5211 South Wayne Avenue, zip code 46807. I am the associate pastor at Plymouth Congregational Church. I sit on the subcommittee for low-barrier shelter services for the Everyone Home initiative here in Fort Wayne. I'm also a member of the Help Not Handcuffs Coalition. I believe this city needs to invest in low-barrier shelter services for its large population of unhoused individuals who struggle with mental illness and addiction, not spend \$350 million plus on an expanded jail.

I hope that some of you had the opportunity to read the jail assessment that our coalition commissioned. If you did, you would know that many of the individuals struggling with mental health and substance use disorder are the same individuals taking up a disproportionate amount of space in the jail. Many of these people, because they fall into the category of special populations, cannot stay at the rescue mission. They are not allowed to stay at the rescue mission.

There is literally nowhere for them to go. They end up on the streets and then they end up in the jail. If we could keep them out of jail, maybe in a low-barrier shelter, that would make a huge difference when it comes to solving the overcrowding issue at the current jail. It seems to me that you have a very, very clear choice before you this morning. You could choose to raise taxes, which literally no one wants.

In order to give the green light to a \$350 million project, probably more, that will do nothing to address the root causes of why these people end up in the criminal justice system in the first place or you could vote no today. Then you could explore ways to invest a fraction of that money into building a low barrier shelter that could then partner with addiction services and mental health treatment services that already exist in our county.

That you would not have to pay anything extra for to get people off the streets and connected to the treatment that they need. Once connected to services, many of these individuals can begin the road to rehabilitation and healing. All it takes is getting them connected to the treatment that they need before they end up in the criminal justice system. The choice is yours this morning. Where do you want to invest your money? Thank you.

**Tom:** Thank you very much.

[applause]

I failed to mention, but we generally give approximately two minutes. Please come forward, but generally, give approximately two minutes and that's what we're looking at.

**Justin Bender:** I'm Justin Bender. I'm a member of Help Not Handcuffs. Good morning. The first thing I want to bring up is this is not the first time we've nearly doubled the size of the jail. Whoever notice something different about this time, maybe it's the massive amount of public outcry because it started at 220 people, and then it went to 400 and some, and eventually, got up to 700. The whole time the population only increased 30%, and now, they want to double it again.

Now, you're seeing a lot of public outcry because the monster has gotten so big that it's taken our relatives, nephews, friends, neighbors, and put them in that jail, and we know how this system works. It's strong arms people, bullies people, and it does more harm than good. Building this jail will cause the police to have more of an adversarial relationship with the county. It's going to be a huge downer. To drive by and see this militarized occupation that we feel we need to have when crime hasn't even gone up at all.

To double the number of incarcerated people, we just want to slow the rate of growth of incarceration. To be in compliance with the federal order, they let 220 people out, they had 850 in there. They're down to 630. Well, praise God for that, 220 people are out on the street that are not a threat to public safety, nonviolent criminals that are being able to rebuild their lives instead of having them destroyed in that jail. I'm a construction worker, but first and foremost, I'm a Christian and I can't take part in works of the evil, so I will not lay a single brick on this jail. I'll be urging my fellow construction workers to do the same, and I will get the word out.

This is horrible. I got some ideas. Instead of just doing whatever the court wants, the problem is the judges and the prosecutors giving all these harsh sentences, rather than just giving them a bigger facility that they can continue these injustices. How about hand them back their proposal and say to this, "Why don't you make bail affordable for nonviolent offenders? How about a pretrial diversion program for theft where they could work in a community program and reimburse through restitution and avoid the felony conviction?"

**Tom:** Thank you.

**Justin:** There's a lot of things we could do to reduce incarceration at the local level. We don't have to just roll over and do whatever the court says. At what point are we going to let the percentage of people incarcerated grow? When are we going to stop, when half the county is incarcerated?

**Tom:** Thank you very much.

**Justin:** You have the power to stop this.

**Tom:** Thank you, sir. Thanks. Next up. Anyone else? Yes, please.

**Audrey:** Good morning, councilman. I just wanted to recognize each of you for being here. I'm sad that one of our councilmen cannot be here. Our prayers are with them. Just to recognize you each by name because you're in a moment of history. My name is Audrey Davis. I live at 4130 North Washington Road. I'm also currently a candidate for city council at large. I've been working to help local communities who have been impacted by incarceration for about 10 years. I'm really thankful to get to the point that we're at where we're deliberating this context, this question. The more I understand about local government, the more I recognize the hard situation that you are in.

You did not pass the purchase agreement. You did not pass the agreement of the land being zoned the way it is. You're at the end of a sequence of events where you have a very crucial decision to be made about whether or not to create attacks that could go towards the building of the structure. I would argue that nor any other fiefdom, rike, or order in the history of our country and in the history of the world ever got made in one decision either. I would imagine that when Nazi Germany saw itself in the situation that they were in, that was an incremental set of steps that happened that no one body had control over.

Sometimes you get put into a place in history where you didn't have any control over the previous discussion, but you have an immense amount of power in where the discussion is at today. I would just encourage you. We heard from corporations who are looking at settling here in Allen County earlier how hard it is to find workers. I hear this a lot from city employers too. Imagine some of the possibilities that you could vie for by repealing this tax and start to ask a bigger question about how we get a workforce that's currently ending up in a jail to be able to end up employed and fruitfully giving to the city and the county.

**Tom:** All right, thank you.

**Audrey:** Thank you.

**Tom:** Good morning.

**Reverend Timothy Murphy:** Good morning, Reverend Timothy Murphy, zip code 46807, Senior Pastor at Plymouth Congregational Church, and on the leadership team of the Help Not Handcuffs Coalition. Thank you all for your time. I sent you all our jail assessment a couple of weeks ago, and hope you had a chance to review it. As a refresher, I'd like to read a few pieces from pages six and seven, which I think are helpful and aligned with some things we already heard.

There's a growing recognition that incarceration itself can be harmful to individuals, particularly those with mental health or substance abuse issues, and that alternatives to incarceration may be more effective in addressing underlying problems and reducing

recidivism. In this context, building a new jail may be seen as a short-term solution to a long-term problem. In effect, a proposed tax is long-term funding for a short-term solution to a long-term problem.

Ultimately, the decision to build a new jail should be based on careful consideration of the needs of the community and the individuals who are likely to be incarcerated. As well as a commitment to evidence-based practices that prioritize rehabilitation and reintegration into society. We've tried to offer the evidence-based approach, and hope that you all would listen to that and be mindful of it. Just lastly on page seven, this one sentence.

Building a new jail can encourage local officials to prioritize incarceration as a solution to social problems, rather than addressing underlying issues such as poverty, mental illness, and substance abuse. Before you vote, if you do vote today, I ask that you look to posterity. One day, our societies felt compulsion to incarcerate so many people will be understood for what it is, an illness. You can contribute to exacerbating that by helping to fund a larger jail, or you can make a different choice. Maybe the best option today is to delay any vote. Thank you for your time and your consideration.

**Tom:** Thank you. Any other comments?

**Tony:** Good morning. My name is Tony Borton. I live on Hoagland Avenue in the 46807. I'm a member of the social justice team at the First Presbyterian Church here in Fort Wayne, Indiana. I'm also a member of my neighborhood association in Williams Woodland Park neighborhood, and a member of the Help Not Handcuffs Coalition. I'd like to just echo what Reverend Timothy just said. I think we're concerned about, first of all, that there's going to be a vote today, and we've only got six out of our seven members here.

I think it's very important to have everyone's input before any final decisions are made. I'm very sorry to hear about Mr. Lagemann and his situation, and my prayers are with him and his family. I hope that maybe we can delay that at least until he's back and we can go from there. I guess I have a couple of questions. First of all is if you're actually prepared to vote for an increase on our taxes today without any further input from the community, aside from these comments here.

It seems, especially with only six out of seven people, that might be a bad idea for something that's such a historic and monumental decision. You delayed this for a month and so I'm wondering if anything's changed since June. Did you get a chance to read the report that my friends have referenced, or have there been other meetings with commissioners or someone that have helped you get an idea of what you want to do from here? I've stated before that this plan is ill-conceived, to put it mildly. The commissioners are asking you to approve the largest bond issue in over a decade to fund the largest capital project in the history of Allen County.

They want to find the most expedient way to get out of their federal lawsuit, and they're expecting Allen County residents to pay for it out of their own paychecks. They haven't given a single assurance of how things will be different with a new, larger facility. Are they going to be better landlords? Will there be any new oversight measures put in place? We just heard from a prior item about how when there's major expansion and there's not the proper system in place, it can cause things to slip through the cracks. I would hate to see inmates and other issues at the new jail slip through the cracks because we haven't properly staffed it. That's a big issue.

**Tom:** Thank you very much.

**Tony:** I just want to remind you that the buck, basically \$300 million of bucks, stops here today. You guys can decide not to fund this project. Everyone up to now has said it's not their job, but someone has to step up and be responsible. You guys are not withholding to the federal judge. You don't have to do what the commissioners ask. Your biggest-

**Tom:** Thank you.

**Tony:** -duty is to the taxpayers here. Please be good stewards of their funds.

**Tom:** Thank you. Good morning.

**Annie:** Morning. My name is Annie Connor. I live at 1026 Mill Lake Road. I won't repeat all of the wonderful comments of the people who spoke before. I certainly am in agreement with all of it. I just wanted to make a couple of points. I was at the public hearing on June the 7th, and I was so struck by the wisdom in the gallery of that meeting. There were people from academia, there were people from the religious community, there were business people.

It was just a real cross-section of the best of Fort Wayne. The people that show up here are good people who are really concerned about what is going to represent our community. I would suggest it occurred to me after that meeting, why is there not a citizens task force? Why is the decision 100% on the shoulders of the men on this council. It seemed that if I were one of you, I would want to draw in a bigger group of people who do the research, who have ideas, who have the time and the interest in getting better ideas than just building a humongous jail that the citizens don't want to pay for. I would close by saying that we have proudly been known as the city of churches. In the interest of diversity, I would maybe say the City of Faith because there are churches, synagogues, and mosques. I don't think that our identity should be that we are the proud owners of the biggest jail in the state. Thank you.

[applause]

**Eddie:** Good morning.

**Tom:** Good morning. Did you sign in this morning?

**Eddie:** No, I was, I showed up a little late. Sorry, I apologize. Couldn't find parking out there. That's a big issue. Don't we know? Eddie Rebel, Street Chef, a small business owner in Fort Wayne. Some of you guys know me. My door knocked a couple of months back, tried to apply for a job up there on the fourth floor, spent too much money for a 10% voter turnout. My first point is ARPA money for small businesses. I don't know if there's that application process. Because of the county got what \$70 million. What is the small business owner supposed to get out of that? I thought we were supposed to apply for ARPA money. Point two, like what everybody is here for is about the jail. I'm a small business owner. I barely make \$50,000. You're going to tax me an additional \$100 right now.

Are you kidding me? We need to look at this jail, what we got right now. We have an additional what I've been told, we can expand that jail, the two of the three floors that's already there on top. I think we can save all that some money right now to expand and look into that. Instead of spending money, our money for a new jail which you guys are probably not on board. I might add some of these people don't know when there's one member missing.

We want to have a roll call vote. Because we want to know who's going to vote yes or no and put your neck or your ass on the line.

Three, I want to thank the Fort Wayne newspapers for nominating my food truck. Street Chef. Appreciate that. Devin, I haven't seen you in a while, but hey, thank you. That being said, you guys got a tough, tough pill to swallow this morning. Ken Fries I love to see you out. Your boy is doing a good job out there. I got nothing else to say. I love door-knocking. I can't believe I ran into some of you guys out on the field there. That being said, Tom, roll call. Vote. Okay, Capish.

**Tom:** Thank you.

**Abby:** Hello, my name is Abby Norton. My zip code's 46808. I would just like to draw attention to remind everybody about the Newberg trials and what happened in the Holocaust because disabled people were the first people to be targeted, and our jail is full of people who need medical attention, not incarceration. What's the difference? That's what I'm asking you guys to really think about. In our state alone all of the laws that have been passed to criminalize people for existing trans people, queer people, this is not okay.

If you guys build this jail with the capacity for 3000 people upwards, how many people are in our county? What percentage of those people do you plan on incarcerating? Because this is not a normal thing for us to need. We don't need a bigger jail. We need mental health. If you guys continue down this path where larger governments are taking away our rights and local governments are spending our tax dollars to build prisons for us and calling it a jail, that's not okay. Remember the Nuremberg trials?

**Tom:** Thank you.

[applause]

**Anne:** Good morning.

**Tom:** Morning.

**Anne:** My name is Anne Cornwell. I live in Sunnymede edition. I don't have a big speech written out. I'm just talking from my heart and the people who live in Sunnymede. When we just said the Pledge of Allegiance, the last line was with liberty and justice for all. Where is the justice for the people who live in Sunnymede? Basically, where Sunnymede ends, the jail begins. It's not going to set up there and be a big building on Maya Road. It's going to be backed behind the existing buildings. I said, where Sunnymede ends the jail begins. There are people who have paid good money high dollar for their homes in that edition, just within the last-- The person across the street from me, just bought her house last fall early fall. I know she paid more than what she would ever be able to get out of it if they put a jail right down at the end of the street. What's she going to do? She's going to have to sit there and be stuck with this exorbitant debt. Because if you sell your house, you have to cover your debt. She still has to live. Her only option would be to just walk away. Just walk away. That will turn Sunnymede into a slum area. It's a good, safe neighborhood to raise families and this is going to just destroy it. Not only the neighborhood but the lives of the people who live there, which I am one.

**Tom:** Thank you.



**Anne:** Thank you.

[applause]

**Tom:** Good morning.

**Emmanuel:** Morning. My name is Emmanuel Ortiz. I am a Fort Wayne resident, born and raised. We could talk about this issue for two hours. A couple of points that I want to make is the Allen County Sheriff's Department got busted because it could not manage the jail at its current capacity. One of those points in that matter was staffing. In the year and a half, I think that they've had the opportunity to address the short staffing of the jail, they have failed to increase the numbers of staff significantly and that's just at this point.

There has been no plan whatsoever to address the potential staffing issues of a jail with twice the population. Not only would we be increasing the number of staff that would be required to operate this jail, to imagine incarcerating twice as many people is to understand that requires twice as much policing, twice as much arrests, twice as much congestion in our court system as it exists already.

Those are issues that don't just impact county legislators. Those are issues that will impact us as city legislators, city officials, and as city residents. I can imagine a thousand other things that I would rather do with \$1,000 of my tax-paying money that it would take to operate this. I can imagine that we could do better with our school system. I could imagine that right now in the last couple of years, I've seen that they're debating what to do about the county libraries. Let's use the money to invest in pages and books for our children, not in cages to make crooks of our children.

I just want to take the rest of my time. I'd like to see a show of hands. Who here supports this measure? Anybody want to say they support this measure? Because in the last public hearing session that we've heard, and this we have seen no testimony. Not one person has testified in favor of this, who here is opposed to this? I think that speaks for itself. This is a legacy vote and I hope that you'll listen to the people of Allen County.

**Tom:** Thank you.

[applause]

**Kieran:** Hi, good morning. My name is Kieran O'Dowd. I'm recently retired. I live in the 46807. I'm also the president of the local chapter of the Northeast Indiana National Organization for Women, and that's who I'm representing today. Last night I was at a meeting and I was handed this note saying that if I was attending this meeting to please make sure that I ask this question, will the jail funding if approved, affect the funding for the Allen County public library renovations? That was just brought up. We're concerned about that because not only it affects all of you, all of us, but our children. Please consider that when you choose to or not to go forward with any type of funding for the jail. I also recently retired, so any additional taxes affect me personally, and it will affect my decision whether to stay in Allen County or in Indiana. Please consider that as well. Thank you very much.

**Tom:** Thank you.

[applause]

I think that no other comments. I'll go ahead and move forward on our agenda this morning. Thank you for your comments from everybody that spoke this morning. Next up on our agenda this morning is the HR department with a presentation.

**Mary Rian:** HR Generalist, HRIS Analyst.

**Nancy:** We are here with you this morning. You have a couple of documents in your packet requesting additional not to exceed funds for the implementation of our human resource information system. During the process over the course of the last six months, we've run into some challenges, to say the least. Moving from four separate information systems that we're trying to combine into one comprehensive HR system, which has required us to extend our implementation timeline to run our first payroll in October. This is a time and materials extension, so it would be to not exceed 60,000 with the anticipation of rolling the remainder over at the end of the year.

**Tom:** Council, will open up for questions. This is a project that's been underway for a little over a year, I believe, correct?

**Nancy:** We actually started implementation in mid-January.

**Tom:** Some of that discussion, we passed funding for this a year ago.

**Nancy:** Yes.

**Tom:** Help us understand, again, just in terms of why that price is still not enough. I think it's continuing to climb at this point.

**Nancy:** Absolutely. In the documentation, you'll see the anticipated time and materials that is for the implementation team provided by Ceridian to help us make sure that we're configuring appropriately, that we've got the appropriate data migrated into the system so that we can work with our historical information of our current employees and be able to utilize that going forward.

Again, this is taking four separate systems and putting it into one to run from the applicant tracking system all the way through payroll processing for the employee and documentation, centralizing of the documentation and that type of thing. There are some customization pieces that we just don't have the capabilities within the HR team as far as HTML designing of forms and things like that so that those can be more efficient in our system. The whole process is really just to build the efficiencies within the county and for the departments that we serve.

**Tom:** Council, more questions, comments at this point? Yes, please, Ken.

**Ken:** We're going to not exceed \$60,000 in here showing that you have a threshold of \$40,000. You want to roll the other \$20,000 over till next year, is that correct?

**Nancy:** No. We have a quote of the time and materials at \$40,000, and that is a discounted rate because we did negotiate with Ceridian because some of the requirement for this extension has been to their fault as well. They gave us a 50% discount on the implementation on that. The other is to look at how we can utilize that for customization of the forms, which right now we have a quote of \$6,000. It may be a little bit more than that. We're just wanting

to ask that we don't have to come back month after month for additional funds. Then we would return that fund to the general fund at the end of the year if it wasn't used.

**Tom:** Whatever's not spent out of the \$60.

**Nancy:** Yes

**Tom:** Council, other questions on this item.

**Nancy:** We are in the final stages for testing right now, and so that's really where we're starting to see some of the gaps and things that are missing in our data. This is why it's so critical at this point.

**Tom:** Upon passing this today, when will we begin to see the output of data coming from these reports and such from this process?

**Nancy:** Do you want to talk on that?

**Mary:** Hopefully in September and October.

**Nancy:** Our first payroll--

**Mary:** If it all goes well, and if all goes as planned, which is-

**Tom:** Is that what they're planning?

**Mary:** Yes. It would be our first October paycheck, which means that employees would begin punching in the new system in September.

**Tom:** How about data, and reports analysis.? One of the reasons that we were in favor of this is the data and the aggregate data from the county as a whole to be able to look at those and do analysis on different trends.

**Nancy:** That's why we gave data from our current system, so from Central Square and UKG is so critical and it did take an extensive amount of time and some of it wasn't adding to where it needed to be because we do have some antiquated systems currently. Getting that corrected before we go live is really important to us. We'll be able to see outputs as early as late December, early January with our first quarter.

**Tom:** Council, any other questions? Hearing none. Do I have a motion for that item or a motion for the \$60,000?

**Kyle:** I'll make a motion to approve the \$60,000 for dues and subscriptions not to exceed \$60,000.

**Tom:** A motion. Is there a second?

**Ken:** I'll second it.

**Tom:** A second. Any other discussion? Hearing none. All in favor say aye.

**All:** Aye.

**Tom:** Opposed? It is passed 6-0-1(Lagemann). Thank you.

**Nancy:** Thank you, council.

**?Speaker:** Thank you.

**Tom:** We've got another, next item up is our ongoing process for evaluations for the overall county and our employees, or the overall compensation plan.

**Nancy:** With me today, I have Ryan Woodward with Clemens Nelson Associates. We are introducing phase two of the compensation study as we had processed through, we had phase one, which was in March of 2023. This session today is to handle some pay philosophy discussion, executive pay, and special occupation pay. I'm going to turn it over to Ryan.

**Ryan:** Thank you. I think he's trying to pull up just a quick slide just to help me go through. I think you have a majority of the information, the new proposed ordinances, and some of the philosophies I have. I can follow along, and get moving until that. I don't really need it. It was more just to help, but yes, thank you for having me again. It's good to see you. After March and the approval of that amended salary ordinance based on the compensation study analysis that we've been doing for a couple of months the next step was to then see how that approved plan impacts these other classifications you have before you.

I've made some recommendations for an executive pay scale which would be new to Allen County, completely new. Also some pay philosophies of a promotion and considering hiring above step one on certain conditions also to aid then a lot of former classes that were on the special occupations grid to get them onto the A grid that was created back in March. First I want to talk about some of those philosophies first because I think they will transition into some of the grids you will see later, and I'm sure maybe have some questions on. Maybe this will help answer those ahead of time. What you see here is just a sample of the A grade, but it is our recommendation after a lot of communication back and forth with the committee and with HR.

This also came out of a request by almost every single department head when I sat down with each of them individually. Also when I studied and analyzed several of what were special occupation new hires-- people recently hired trying to put them into a grid, a step one to eight. It looked like you already had a philosophy of maybe hiring at a higher than minimum range based on the experience based on that occupation. Taking all those kinds of trends, looked like you have a philosophy of doing that already. The department, and they're asking, we analyze the A, B, and D grids, and before you shadowed certain classes for the A to 6-13 for B, I believe it's 7-9, and D is 6 and up.

We're not asking to eliminate, but department heads would have the ability if they have having trouble hiring or an exceptional candidate comes across their desk that's coming with a lot of experience, a lot of expertise that we can use instead of additional step one for a new hire, then can go up to that yellow at their discretion. If they say, well, they have more than what we're asking is a minimum, but maybe not real high, they can settle for someplace in the middle there.

Again, part of one of the goals of this study was how to help recruit and retain special talent, especially in the time now that a lot of hiring is going down a level. How can Allen County recruit the best talent? This was a heavily favored opinion of how can we hire by step one

with ease. A lot of conversation the personnel committee tries to minimize some of that and let the department head decide based on the applicants coming in.

**Tom:** I have a question, Ryan. Why did it start at six?

**Ryan:** We took a lot of look at what the philosophy, we had to put some boundaries on it. We didn't think it'd be applicable to every single pay grade because what would be the point of having the step 1 to 20? We looked at the six. Pretty much what line is for all three sir, is where a lot of the leadership management type job classifications begin. A lot more advanced certifications, training are usually asked in the job titles, and a lot where a majority of the special occupations that we have moved into a grid fit into those ones.

In looking on where can we do that line and how far up, that was the beginning. It is also my recommendation that would not be a permanent thing. I think this is a good place to start because Allen County has never had a policy of where to look at. I've advised the committee and the HR to really watch. It's definitely over the first year and be like, "Did this work?" I would like to get some feedback from the department heads like, "That would work?" Maybe consider going up one, maybe moving that yellow to the left or right on what works. We're also using the money wisely.

**Tom:** Going up one or do you mean going down one?

**Ryan:** Either way, based on what the feedback we're getting in certain departments may be having a lot of turnover or we're finding a lot of people that we were recruiting in a certain field, but that field pays more than--

**Tom:** Our entry-level.

**Ryan:** There's a lot of different factors, but I want HR and anyone else's interest in looking at be like, "This is a new thing. I think it can be adjusted as different input factors come in."

**Tom:** Ryan, you mentioned feedback. Is that reviewed? How often is that reviewed when you talk about getting feedback from different people?

**Ryan:** Currently I believe HR monitors. I don't know if you want to speak only how-

**Tom:** [unintelligible 01:11:54]

**Ryan:** -the involvement of the department heads and on the hiring process with each department.

**Nancy:** What we were anticipating with the pay philosophy since this is something new to the county, would be that we would look at it annually with the salary ordinance recommendations. It gives us time to look at what we're seeing, how this competes with the market when we're looking at specific positions in those classifications, and the skill sets that are required.

**Ken:** If there's an issue, why wait a year? The department head or somebody come to you sooner and say, "Hey, we got a problem. We can't hire people and at this."

**Nancy:** Absolutely. We could bring it to the council if we see that we have a group or certain classification that's having difficulty hiring for those people, we could actually bring them forward to the personnel committee quicker.

**Tom:** One of the challenges might be that if I'm going to hire somebody at level nine, I'm going to go to that yellow section anyway immediately. I'm just going to argue I need the yellow, I'm going to jump to step three immediately. How do you keep that from happening? Because as a hiring official, we're going to try to get the most skills, most experience, most education, most background. I'm always going to jump to that yellow. How do we measure and make sure that we're not simply jumping to that higher number immediately?

**Nancy:** This gives a little bit of flexibility to be able to do so. Really looking through and making sure that those people do have those extraordinary qualifications, the minimum qualifications in the job descriptions align with higher-level positions and certifications and things. What else are they bringing to the job that might be helpful? Working through that as we're positioning those people. We've had some of our department leaders as we've met with them and shared what we were proposing today. They said, "Well, what if I don't want to start somebody at step three? I want to start them at step one because I want to see how they learn and how they grow in the role." That acceleration adds a little bit of flexibility, especially if we're bringing somebody in that has years of experience externally or from another municipality that maybe could be helpful for our county.

**Tom:** Council, as Kyle, and Paul, and I sit on this compensation committee that was overseeing this request and this concern has been out there for a long time. The thought and Ken to your point, the thought is let's initiate this innovative approach for Allen County but let's measure it. It'll be up to HR to manage it to make sure that it's not abused, but also assess is it healthy, is it effective and do we expand it next year as an example. Ryan, please continue.

**Ryan:** There's another sheet in front of you about also considering for these same classes when you're looking at the experience, also consider looking at prior government experience to local government. A year, for a year, we've seen not only to repeat myself, a recruiting tool, but also we're seeing it's on the flip side of we people leaving Allen County to go to jurisdictions that will recognize their service. As we are hearing that feedback, we wanted to put that recommendation before you to consider that kind of treatment to help also prevent losing good candidates. Also, that might benefit from a similar type of policy that your neighbor might have.

If there's something the council would like to adopt and follow with his philosophy, I think one of the ordinances in there that Nick provided shows a handful of positions that were not yet on a grid that is proposing to go to the A grid, but not at a step at their current level of experience because my recommendation is that this would be applied to them retroactively currently. Some of them are my recommendation is to put them in step four or five following this model as they go both together if council-- [crosstalk]

**Tom:** What're saying is there are individuals already in that grid that could be accelerated?

**Nancy:** They're currently in the special occupations grid. Ryan has scored them and fit them to be able to move to a grid situation. He's recommending to accelerate them to recognize their current experience plus what they bring to the table in those occupations.

**Ryan:** Yes. They were ones we noticed if I put them strictly on a grid, they were redlined or maxed back in February. When we started analyzing why, that's where it helped lead to this. As I mentioned earlier, a lot of the special occupations looked like you were not hiring at a minimum of the market. It was like a mid-range. That helped to adopt this kind of philosophy. My recommendation would be to apply it to those ones that I feel you can see where you've already hired people at not a minimum rate for the range and they're listed on, I believe in front of you.

The second philosophy was one that we discussed a lot as a team that I didn't know if it was in existence. It's a type of promotion language when maybe tweaked at some point, I think it's something you consider long-term, just recognizing you have an outstanding long-term history of using these grids and as someone might be promoted up, they naturally would go into the same step of their year. Where a percentage raise for going into that new promotional range with a new scale, there could be a handful of spots that someone with a lot of experience could get promoted into a job and those two rates may not equal something to incentivize someone to get that promotion. In that case, which I do believe will be rare, at least have some language policy to be at least 5% and we'll get you to the next step appropriately to help incentivize someone that might do the math and go. It's not worth it for me to go up to that job. We want to encourage advancement like that. That's the reason for that language in front of you today.

**Tom:** That particular proposal is for all positions or is it for certain positions?

**Nancy:** Right now it's outlined for all positions. Obviously, it's going to be considered on a case-by-case basis, but if somebody wants to move to a promoted position-- Once something that's assuming more responsibilities in the requirements, that there would be at least a 5% increase, then they would just be holding in their step until they achieve the next level.

**Tom:** Who makes that decision?

**Nancy:** The 5%. That would run through HR and then run to personnel committee for approval.

**Tom:** It's also going to be requested from the department head or the elected official overseeing that. They're going to be the ones that say--

**Ryan:** They recognize there's a compression that--

**Tom:** This isn't gray at that point then, right?

**Ryan:** Yes.

**Tom:** If they qualify under the fact that they're not moving enough in the grid, they would get this.

**Nancy:** Correct.

**Tom:** It's really not up for a decision per se.

**Nancy:** For example, if we have a 20-year employee that is on step eight in their current classification, and then an opportunity comes for them to be a department head, maybe perhaps they would not receive a very small increase or they might actually be making more

currently than what is allocated for that position. We want to be able to incentivize them to be able to take those extra responsibilities and lead the department by offering at least a 5% increase. They would just be staying in that position until they reach the next step on their grid.

**Ryan:** After some of those philosophies before we get into the bigger class, the one main question I know, we hinted at getting a lot of those special occupations onto a grid. I believe with the ordinances there in front of you, almost all of them are except for some part-time, which I have recommended just to leave. You treat them as you have your part-time employees. These are the remaining ones that are special occupations that I cannot get on a grid right now for different reasons. Basically, the scoring different parts, it doesn't fit with their market. Based on some market data or based on their current position, I've recommended these five stay off of the grid. If things change, job opportunity, reorganization, and it works based on the guidance I've given HR, they may, but otherwise, it'd be my recommendation, not only these five HR is to monitor and make sure market changes, these rates would be presented to council annually accordingly, instead of moving like the grids do.

**Tom:** For council and the public, this was an initiative that we talked about two or three years ago of trying to take a lot of jobs and a lot of incumbents that were not on some kind of a system or a grid and get them into a grid system for all kinds of reasons, for structure, for manage or for budgeting, for recruitment, for retention, all those kind of things. How many did we move from? How many initially did we have in special occupations versus how many will be left?

**Nancy:** We started close to 100 in special occupations. We're shifting a majority with moving executives and special occupations onto these grids. The remainder will be our elected officials and chief deputies and our public defender attorneys. It'll be, you're talking about seven-

**Ryan:** The part-time-

**Nancy:** -and part-times.

**Ryan:** -so that when those all have their own rule, but are not on a grid, and then these five are left. Law clerks have their own thing. I think this in front of you.

**Nancy:** It's a small-

**Tom:** Small meaning what? 5 to 10?

**Nancy:** It's under 10 job descriptions.

**Tom:** 5 to 10.

**Ryan:** Yes.

**Tom:** Okay. This is a step forward from a council perspective that we've talked about for a few years, trying to get some structure there.



**Nancy:** It builds structure. It helps us with looking at recruitment in the future on how we can bring people in to offer something more competitive with people coming from the private sector potentially.

**Ryan:** Okay.

**Tom:** Council, yes, please.

**Don:** My question would be, Ryan, and maybe Nancy, too, how did we determine who was on this list? I think about other occupations, like engineers or something like that. Just talk a little bit about how that-

**Ryan:** Yes. Going back to last year, at the very beginning of the plan, some of the first goals were, here's your Oliver plan you had. What can we do with it? Should we keep it or move it? We decide to move it and developing a new plan. We had a new scoring system and put people into grids. We scored. I scored everybody onto that, and we can move them to a grid, get a pay range, and it worked. What was left, which is what basically what this is, is ones I could score, but where they were currently paid or what the market is did not match where the math would say they should go into a grid. They're using an outlier.

Basically, it's someone's with a very high education. In some of these roles though, they're not department heads. They don't have a lot of supervision. The way the points come, it didn't match with where it should have been on. It wouldn't have been fair. It just didn't work. They have to stay outside and we monitor it just on the market, on those specific classifications

**Tom:** Because of the uniqueness of their duties.

**Ryan:** Yes.

**Tom:** Hard to compare to-

**Ryan:** If you really look at those job descriptions, you can tell they're unique. In reading some of them, I could tell right away, this one's not going to work and it's not going to come out with its peer. They really have no peers internally about the sum of all.

**Tom:** Simple example was that last one, the general manager of the coliseum.

**Ryan:** General, yes, there's no peer here.

**Tom:** How many coliseums exist in counties around the State of Indiana?

**Ryan:** Exactly. Based on where they should be paid, it's not going to fit within the grid with what we scored them also. It's very common medical degrees, nurse practitioner, law degrees, they rarely fit into the system either.

**Nancy:** While we have a variety of diverse titles throughout the county, a lot of times the job functionalities align, and that's what puts them on the regular grids. These are outside of that regular grid, which is why they were special occupations to begin with.

**Tom:** Ken.

**Ryan:** The last thing I think-

**Tom:** Oh, I'm sorry.

**Ryan:** Oh, go ahead.

**Ken:** Hang on a second, Ryan. You've thrown so much that it's-

**Nancy:** A lot of information.

**Ryan:** I know, I know, I know. I'm sorry.

**Ken:** It's wrangling an octopus here. We talk about the compression between the people that want to get the promotions and that don't, and all of a sudden somebody wants to move up and they're going to be offered this 5% increase. I thought part of the process of this whole process was to do away with this compression. That wasn't supposed to happen. Now we know that it's going to happen. I find it interesting that the definition that you guys have for promotion is the active place in an employee in a position which ranks, which requires greater skill, knowledge, ability to perform complex and responsible work.

We have employees now that I know are doing that, and they have to take on more than what their counterparts in other local governments are doing, and yet they're paid less. We're going to offer now a 5% for those in that compression to get them up so they can put in for this promotion. Why aren't we taking care of the employees that are here now doing stuff that's requiring more and they're still not paid as much as the local comparisons?

**Ryan:** There's a couple of parts in there, and if I'm missing all of them, please let me know. The promotion language is intended to when you are actually moving to a new classification that has the higher job due to more responsibilities-

**Ken:** I'm talking about the philosophy, I think. Yes, the philosophy of that thought is what I'm talking about. If philosophically we believe we get this promotion, then we should get this 5%. Why aren't we doing that now with the current employees that are already doing more than their local counterparts already getting paid less?

**Ryan:** That would involve just what I would recommend. You're looking at doing an audit of all the positions or what that duty does, and then getting information from your peers and comparing really apples to apples and seeing how similar they are, or not they are to say why or why not they're different. It's all a different part. Also, doing the market study and putting all that together.

That was not intensive of a scope of an analyzing of everyone's position was not a part of this study. If it's a concern or something, it's always, that would be a recommendation to keep looking at. It's an ongoing maintenance and a healthy comp plan is always looking at some of those things. As we mentioned earlier, the feedback that we're getting, HR is getting and continually monitoring and looking at those.

**Tom:** This project and this recommendation, not just today, but overall has been to deal with compression issues. You've done that-

**Nancy:** Correct.

**Ryan:** Yes.

**Tom:** -by establishing structure as well as the enormous amount of employees that have received increases in this last year. All that was based on trying to get that improved. Ken, to your point, it may not be perfect, but we've just made a huge improvement over the last year on doing this.

**Nancy:** We've made a huge leap. In March, we had almost 1100 employees that received an increase. The scope of the study was not to benchmark all 1800 positions. It benchmarked a fraction of our positions. From that then Clemens was able to assess and build their grids with the scoring to make sure that we were matching the marketplace. The next step would be if there is some of those that seemed out of whack that were missed, then that would be the reclassification process, which we would recommend that they come through reclassification with desk audits and things like that in looking at the JAQ for the job specifically. Following those procedures by the department.

**Tom:** That appeals process is underway right now, I think.

**Nancy:** Yes.

**Tom:** Go ahead, Ryan. I'm sorry.

**Ryan:** That promotion language is meant as a tool for to use and to help an employee sitting back here going, "Hey, now I think I can go for that job there might be." I don't anticipate it having to be a used a lot, maybe once or twice a year, because I think we addressed a lot of the compression issues. I understand there may be-

**Nancy:** An outlier.

**Ryan:** -a snapshot where all of a sudden, you have a very veteran employee, and there could be a pinch. It's just a precaution so you don't have to address it later if it does our arise.

**Nancy:** We did look in historically over the last couple of years on how many of those might have been impacted, and it was really less than a handful, maybe two to three that we were looking at. It would be a smaller percentage. Again, our current study has helped with that compression, which is the closeness of other people in departments or things. This would just come into play occasionally.

**Tom:** Ken, does that answer your question?

**Ken:** Sure.

[chuckles]

There's still a lot of work that needs to be done, and that's the problem I have with it. I don't know that we're ready to-- I'm not ready to approve it. It doesn't mean it's not going to happen, but I think a lot more work needs to be done. Typically, people get ahold of me because they want to complain about something. I've had a lot of people get ahold of me complaining about it. Nobody has called me and said, "Hey, I love this."

**Tom:** Council, other questions this time? Ryan, anything further or-

**Ryan:** Yes. Just the executive scale I think is also before you for your consideration. I wanted to explain how we got here because I think that also might address some of the questions that

may be getting asked. Quickly, what you see before you and you've seen this for years. You have a step program from step one, 20 years. In trying to analyze based on where everyone moved in March, to look at the compression issues with this specific class, which is people would consider your department heads. We looked and went, "Well, if you want to become a department head internally, you are going to have 10, 15, 20 years' experience."

If you have a one to 20 grid, you will never use the beginning. If you go higher externally, you're going to come and get someone for that position with probably 10, 15 years experience. They're not going to want to come in at that step one. We historically allowed that to happen and you can start getting inequity where it's maybe two positions are pretty similar, but because you had an internal promotion and external, now you have like a 20,000 pay gap for what might equal the same job. To help encourage the promotion and really stress the external recruitment make it attractive to come, we said, "We got to not look at the beginning of the scale and present you a shorter scale."

That's why it is shorter. There's three steps. We also looked at that would be like a 10, 15, 20, but rather also to encourage the external applicant to not feel they're being treated differently. There'd be a one and a 20-year vet would be on a different scale is why that three-step is time and service, so an entry-level. Then what we wanted to accelerate quickly, knowing anyone's going to be at the end of that, they're going to be maxed out or tenured pretty quickly traditionally. It's the zero, three, and five within five years, and then they just move as council approves [unintelligible 00:02:29] on that.

That is the reason why you see that. Then putting that together with the compression, the different paygrades. A bunch of factors that we wanted to look at created a five-step grid with different executives based on how long they've been in the job with the recommendation with my one exception, I would propose is the snapshot. Currently, there is a compression issue with just one of these. I would propose to move it to that position to step two. I believe it's in there as a one-time thing as we're making this adjustment to a new scale.

Trying to, again, we're looking at recruiting, but we're looking at internal equity, trying to treat everyone fair. As in, what were the factors that made Allen County pay these positions over time? Why are they spread out? There's obviously something, but I wanted to put it in writing. I've put a box around, here are your department heads. Again, we can keep monitoring it. Same as the other ones, how the market moves. If a reorganization happens, we need to re-look at these and not leave them here and ignore them for another 20 years.

**Tom:** Very good. Council, questions, comments? Nancy, any final comments on these proposals today?

**Nancy:** No. The executives' pay scale and what Clemens is recommending really helps position us for external recruitment if we needed to or from other municipalities. We did take into consideration that we have a department head group that some of them are at retirement age, some of them are at retirement tenure, so we need to take that into consideration planning. I think you asked me the other day at our quarterly leadership meeting, what is our biggest looming county-wide issue. That's looking at staffing from all positions, and how we recruit and retain those key essential positions.

**Tom:** This adoption of these two proposals today move us closer to that objection at this point. Council, questions? Any comments? Hearing none, is there a consideration for a motion on item number two for the salary ordinance for certain positions?

**Nick:** Tom, you'll have in there the classified salary ordinance, the non-classified salary ordinance, and then the consideration of the pay philosophies.

**Tom:** Is that a document coming around or is that--

**Nick:** Someone makes a motion, yes.

**Tom:** Is there interest in moving forward on item number two?

[pause 00:05:05]

**Kyle:** I will make a motion to approve the amended 2023 salary ordinance.

**Tom:** Got a motion. Is there a second?

**Ken:** Nick, did you say he needs to include classified, non-classified in that? That's how it reads.

**Nick:** If the council body wants to take different actions on different ordinances, then you may want to do them separately, but within your notebook, you'll see the classified one, which has the positions that are classified as exec or law clerk, or whatever it may be. Then you have the non-classified, which is that group of five positions. If you want to take different action on different parts of it, then you may want to make motions for individual pieces.

**Tom:** Otherwise, at this point, I think you've made a motion for item number two overall.

**Kyle:** I was reading the first ordinance that was in the notebook. I guess that would be for the classified positions then, Nick?

**Nick:** The 2023 amended classified salary ordinance you don't need to read that page [unintelligible 00:06:30].

**Kyle:** Okay.

**Tom:** That's a motion. Is there a second on that item?

**Don:** I would.

**Tom:** Got a motion and a second. Any other discussions? Not all in favor of that item number two say, aye.

**Council:** Aye.

**Tom:** All opposed?

**Council:** Aye.

**Robert:** What was it?

**Nick:** What was it?

**Tom:** 4-2(Fries & Armstrong)-1(Lagemann). That was a no.

**?Speaker:** No.

**Robert:** Was a Np.

**Tom:** Who voted no on that?

**Ken:** Bob and I.

**Tom:** Oh, so two.

**Ken:** We'll raise our hands from now on.

**Tom:** Let's all do it. All right. That does pass. Item number three is consideration of acceleration of internal promotion pay philosophies. That is also one that comes out of our compensation committee recommendation or a motion toward approval of that item.

**Nancy:** [inaudible 00:07:34]

Tom: Oh, on number three.

**Kyle:** We still have to do the non-classified, right?

**Tom:** Yes.

**Kyle:** I make a motion to amend the salary ordinance for non-classified employees. [unintelligible 00:07:48] number two.

**Tom:** All right. Very good, motion. Is there a second?

**Don:** Second.

**Tom:** Second. Any other discussion? Hearing none, all in favor say, aye.

**Council:** Aye.

**Tom:** All opposed?

**Council:** Aye.

**Tom:** One, two. Passes 4-2(Fries & Armstrong)-1(Lagemann). All right, number three consideration of acceleration internal promotion pay philosophies.

**Kyle:** So moved.

**Tom:** Motion. Is there a second?

**Don:** Second.

**Tom:** Second. Any other discussion? Hearing none, all in favor say aye.

**Council:** Aye.

**Tom:** Opposed?

**?Speaker:** Aye.

**Tom:** That was 4-2(Fries & Armstrong)-1(Lagemann). I think that does that for HR. Thank you very much.

**Nancy:** Thank you, council.

**Tom:** Clemens, thank you very much. Ryan, thank you for your help there. Next up, folks, we have before us ACJC appropriation of the JDAI grant. [silence]

**Wendy Kyler:** Good morning, council.

**Tom:** Morning.

**Wendy:** Wendy Kyler with the Allen County Juvenile Center.

**Council:** Morning.

**Wendy:** I should be pretty quick and painless for you.

**Tom:** What do you think? [laughter]

**Wendy:** Asking for appropriation for the JDAI grant. This will be our 10th year receiving funds for JDAI to continue the programming that we have at the Juvenile Center.

**Tom:** Might explain a little bit about what that is for the public.

**Wendy:** For the programming that we have?

**Tom:** Yes. For this grant.

**Wendy:** For this grant, we are continuing with our Gangfree Life Academy. We also have the-- oh, goodness, and I just lost my train of thought. We got several of them.

**Tom:** It's this painless.

**Wendy:** Yes. [laughs] I'm trying to be as quick and painless as possible. We have the day and evening reporting which we acronym that is [unintelligible 00:09:57]. I don't know if that-- there's no explanation really for that. That would be kids that are on probation that will be doing community service type work in their probation.

**Tom:** These are youth that this grant helps in this program to help youth be on probation instead of being at the ACJC?

**Wendy:** Correct. To keep them from being incarcerated.

**Tom:** Incarcerated. [unintelligible 00:10:25]. This is 10 years that this has been passed?

**Wendy:** Correct.

**Tom:** Is that number the same as the previous years or are they increasing this number?

**Wendy:** No. Actually, it should have been going down, but we have been fortunate enough for the past 10 years to be granted the 55,000.

**Tom:** Why should it be going down?

**Wendy:** It was implemented to become self-sustaining. We've been fortunate enough that we keep adding additional programming to keep the juveniles out of the justice system and get awarded the 55,000.

**Tom:** How many youth does this affect? Is that too hard of a question or how many youths? Comes in various ways?

**Wendy:** Yes. The Gangfree Life Academy is actually starting in the elementary level of kids, so we don't really have an idea. We can't tag them and say we're going to follow them up through their high school days. The last graduation I believe we had 81 kids had gone through the academy-- the last session that they had. That was 81 elementary students that went through that particular program.

**Tom:** Very good. Very good. Council, questions, comments on this. Any questions? Bob?

**Robert:** Who runs this program now, manages it, oversees it?

**Wendy:** I handle the financial aspect of it. I am the one that makes sure that we're in compliance with the JDAI guidelines as far as where the money gets spent. Right now the Chief Probation Officer is monitoring the programs and making sure that they're still in compliance. We have the position of our juvenile justice specialist that has not been filled as of yet, that normally handles all of that process.

**Robert:** I just like you fill those positions and moving forward have a better or more in-depth report on this. What's the successes, the things that fall through the cracks, don't work? I'd appreciate some kind of a report.

**Wendy:** Sure. Okay.

**Robert:** Thank you.

**?Speaker:** Wendy, thanks for being here, and thanks for your efforts. I just want to echo Bob. I'm sitting here wondering, just naturally just the trends. How are we doing? I would appreciate that as well. Thank you.

**Tom:** I'm sure as part of that grant process, there is all kinds of reporting and analysis. Is it coming from the state primarily or both from the state, but also locally at the facility you're keeping track of its [unintelligible 00:13:22]?

**Wendy:** We collect the data that then we send to the state. I'm sure that any of those reports can also be forwarded to Council.

**?Speaker:** Thank you.

**Tom:** Thank you. With that, council do I have a motion for the approval of this grant fund?

**Ken:** Making a motion to approve within the JDAI grant fund 223, \$55,001.



**Kyle:** Second.

**Tom:** Second. Any other discussion? Hearing none, all in favor say aye.

**Council:** Aye.

**Tom:** All opposed. That does pass. 5-0-2(Hale & Lagemann).

**Wendy:** Thank you very much.

**Tom:** Thank you very much. All right. Next up is our highway department. A few folks here from highway this morning. I'd like you to introduce yourself and your titles, please.

**Bill Hartman:** Good morning. Bill Hartman, Director, Allen County Highway Department. Our first item here is to-

**Tom:** If you'd like to introduce the others.

**Bill:** Oh, yes, yes. Kim Yagodinski and Tracy Witte with Engineering Resources, the designer of our buildings that we're requesting funding for today.

**Tom:** Thank you. Thanks. Please, continue.

**Bill:** We're requesting to appropriate \$1.7 million to build a building in our north of the facility on Carroll Road and our south facility on Tillman Road. These would be 125 by 100-foot buildings, concrete floors, heating, et cetera. To store our trucks primarily and then take our other equipment that's sitting outside, and putting those pieces of equipment where we're storing our trucks right now. The overall budget for these two buildings is actually \$2.68 million. We have about \$1 million already in our line item, and we need this amount appropriated so that we can proceed. They're already designed, the permits are underway. We're looking to bid them here at this fall and get them under construction this winter hopefully and complete next spring.

**Tom:** In the spring. Council, thoughts, and questions on this one.

**Kyle:** For a number of years, the highway departments off and on conversations about consolidating to one barn. Has that definitely been ruled out and if not, if that's still under consideration, why would we invest \$1.7 million into buildings to find out a year and a half or two years from now that you're going to consolidate to one location?

**Bill:** To my knowledge, that's not under consideration anymore. Allen County is the size of two of our adjacent counties primarily, and of course, we have it divided north and south. Primarily, the Maumee River in the east is a boundary and Bass Road to the west is a boundary. If you look, you could take Huntington County and put it on the north, and put it on the south, and that's about what we have. To logistically mobilize particularly during snow event, why if we only mobilize from one location, the taxpayers would really suffer for that. The two locations really works for the size and logistics of our county.

**Tom:** Other thoughts, comments.

**Don:** Bill, just comment on the-- you talked about the size, but doors, height to the ceiling. I'm just curious as to how practical. I assume that's all being taken into consideration as well.

**Tracy Witte:** It is. The current barns are 14 by 14 overhead doors. That's what the new ones have. The current barns, I was shocked when I was in there. Bill was showing me around how cramped and how tight everything is, and how much equipment was outside just from my perspective. We've taken all that into consideration and met with the county highway department to get their needs and wants to come up with these buildings and the sizes that they are.

**Don:** Bill, then next comment, talk a little bit about how we do maintenance on these. Are they doing the maintenance on these trucks outside currently, or does this improve our maintenance and overall serviceability and longevity of these vehicles?

**Bill:** Currently the trucks themselves are stored inside at different parts of the existing buildings, but these would consolidate the trucks into one building. Then other equipment that's outside right now would go in the place where we're storing the trucks. This just be a more efficient operation and as well as protecting the equipment that we have that's outside.

**Ken:** I would assume by building these buildings and putting them inside the equipment's going to last longer, so it should save us money in the end.

**Bill:** We would hope so.

**Tom:** Which is the intent optimally? I think you mentioned at one point that-- I think you call them critters. The critters sometimes get into the machinery trucks, et cetera, and are eating parts and costing more money than we need.

**Bill:** Chew on wiring, Chew on hoses, et cetera and it is an issue.

**Tom:** If you had a ballpark, what's a cost of the entire fleet of trucks, what might that be from a county investment standpoint?

**Kim:** Trucks and equipment?

**Tom:** Yes, thank you.

**Kim:** Trucks and equipment right now we have \$19.8 million worth of equipment. All of that equipment should be for the most part being able to be stored inside once we have these buildings.

**Bill:** Nearly \$20 million. What we're doing is creating an environment that's going to protect that investment.

**Kim:** Absolutely.

**Don:** This is a steel structure. I'm thinking longevity the building. What is that forecasted to be 30, 40 years?

**Tracy Witte:** Oh, longer than that. In my world, it's a pre-engineered metal building that has a lifespan probably 70 years, potentially. If you do proper maintenance, maybe even longer. It's not like your agricultural pole barn that has a shorter lifespan. These are-- they will be there a while.

**Josh Hale:** Are you finalized completely on the design? The reason why I ask that, is you say the doors are 14 feet. I do a lot of work with big trucks and that is a tight door for 14 feet.

**Tracy Witte:** It is, but that's what they're accustomed to doing. It seem like the benefit ratio of going to a wider door when they're used to going into a 14-foot door made sense. They are used to it, so why reinvent the wheel? From my perspective as a designer, I put this building over here, it has a wider door 16, now all of a sudden they go into the old barn and that has a 14-foot door. Now all of a sudden they're not used to it and they might hit it. Now they're accustomed to going in that 14-foot wide door, taking their time. Going into the new barn made sense.

**Don:** I'm with you though, Josh. I'm thinking extra two feet. I don't know how much more cost that is, but they're never big enough down there. [laughter]

**Josh:** No. I guess I want to add-- Kyle I appreciate your question about the one barn, but I want to advocate for you onto our county is large, and in my full-time occupation we have needed the services of the highway department. I know you guys do the best you can, but sometimes in the middle of the winter, it's not quick enough. We could definitely need the two barns.

**Tracy:** Thank you.

**Tom:** I think I heard once that we do have the largest county in square mileage in the state of Indiana, I believe. Almost east of the Mississippi or something I've heard that we are unique in the scope and size of this county, so very good. All right, council other thoughts, comments? Hearing none, is there a motion for-

**Ken:** I'll make an appropriation within the MVH fund 250 of \$1.7 million.

**Kyle:** Second.

**Tom:** Motion and a second. For any further discussion? Hearing none. All in favor say aye.

**Council:** Aye.

**Tom:** All opposed. That does pass 6-0-1(Lagemann). Next item up is equipment and machinery of trucks and trucks.

**Bill:** Now we have Lynn Kaiser, our fleet manager for this presentation as well.

**Tom:** Lynn, welcome.

**Bill:** Anyway. We're requesting a loan from the Rainy Day Fund of \$4 million to purchase 14 trucks. 11 of those being tandem axles and three being single axle trucks with a five-year repayment plan. We expect probably not to get the trucks fully equipped and ready to go until 2025. In the current situation of ordering and production, it seems that we need to be this far ahead to get the money lined up so that we can have a purchase order to make an order once we determine all the specifications and everything on these and get in a line of production.

**Tom:** You might talk about this program. This is something that's also unique because of our ability to have cash and hanging on to cash. We don't have to go out and borrow this \$4

million as other counties may have to do. Talk to us a little bit about, this program has been underway for a number of years.

**Bill:** Well, I think I'll yield to our controller. She has quite a bit of information about the past loans and how they've been repaid and the interest we've saved, et cetera.

**Kim Yagodinski:** In 2011 Ric Eubank was our fleet manager at the time, and he and I put our heads together. I was new in the position and we tried to figure out how we were going to replace our fleet, and how we were going to manage our fleet going forward. It was one of those things that we put off for so long and then everything was in dire need. We needed 15 trucks at that time and we didn't have much money to buy those. At that time, we put our heads together and we came up with a plan to ask for a loan from the Rainy Day Fund.

This is our fourth attempt to get that loan. The council at that time was gracious enough to give us the loan, and it was an interest-free loan so the taxpayers weren't on the hook for the finance charges. I did a little research yesterday and just finance charges a loan on a \$4 million loan over five years at a 5% interest rate, which I'm not even sure that we could get a loan for 5% right now. We would be looking at almost a million dollars in interest charges that the taxpayers would be on the hook for. This was a way to leverage the money.

**Tom:** It is one time or is that over the four times we've done?

**Kim:** No, that would, that would just be for this particular loan. Our loans altogether have been about \$4 million, so we've probably saved about a million dollars with those loans that we've obtained in the past. This is a way for us to leverage some of that money. State requires us to put a purchase like this on a purchase order. That means we have to have the money to back up that purchase order and it has to be set aside. It doesn't mean the cash goes away, the cash would stay in the Rainy Day Fund and would continue to get interest.

The interest rates are a little higher now than they have been in the past, so you would still be able to get that interest income on those. The finance charges that we would have to pay we would end up budgeting at least another million dollars to cover those finance charges if we were to have to go outside and get outside financing for this. It makes sense to us to buy the trucks in one bulk size. We feel that we get a better deal on the trucks because we're buying so many at a time. We also have the replacement parts, maintenance, that kind of thing.

We have one type of truck, then when we get 10 at a time rather than 10 individual models. If we were to put it in our budget, we would probably have to buy two to three trucks a year. Going through that process every year we would end up with a lot of different models of trucks, and a lot of different types of trucks potentially. Having the parts on hand, the software on hand to diagnose problems and run those trucks. Not to mention that we have operators who use those trucks as well. They would have to be trained on all the different intricacies of that truck as well as the mechanics who maintain those for us.

It seemed like an opportunity for us to leverage some funds that were there without having to put that cash outlay out of the highway budget per se. Our resurfacing program, for example, is about \$3 million a year. To buy those trucks all at one time we would have to forego potentially resurfacing for a whole year to be able to make that purchase out of our funds just in one year. This is a way to spread that out, be able to order those trucks now so that we can take delivery in 2025, rather than putting that total cash layout of the highway budget. Now

when the funds are there, the Rainy Day Fund potentially for us to do this again, like we have in the past.

**Tom:** What kind of enhancements are you looking for this next order on those trucks? Are they getting higher-tech? These are not electronic vehicles or EV, sorry.

**Lynn:** They'll essentially be the same equipment that we have now. I try to, well if we can order we'll go through the bid process, but have those trucks set up the same as what we have now. When a driver changes trucks, there's nothing different. He jumps in, it's just like the one he got out of, he can operate it. We'll still use our front ploughs, we'll get the same hitch put on so we won't have to buy new front ploughs to put on. The boxes, we probably will not replace those. We're going to go with a live bottom, which will save us a little bit on the upfit cost right off the bat.

**Ken:** Lynn, I'm sure that to you that makes a lot of sense. [laughter] Put a live bottom on the truck.

**Lynn:** Yes, well it's a webby web belt. It's just like our V-box sanders that has a web that runs your product out that will be in the truck. We'll be able to multipurpose that truck. It'll be able to dump stone in your chipper box. It'll be able to haul whatever you want. Plus you throw a spinner on the back, mount it, you're ready to go plow snow and spread salt.

**Tom:** That help, Ken?

**Lynn:** Without storing a V-box on a hanger all summer.

**Tom:** Those are the old days.

**Lynn:** Yes.

**Tom:** Bob.

**Robert:** That's what I wanted you to bring up because it's not take the box out, hang it, put it back in. If it snows today you're not setting up boxes and stuff, you dump the sand or salt in it and you're on the road.

**Lynn:** Yes.

**Robert:** Also you might want to bring up-- we had this discussion. A lot of these beds now, and you can talk more about this are not steel beds, they're aluminum beds, they last longer. You can take them from truck to truck swap them in and out.

**Lynn:** Yes. They're stainless steel, which no rust. That's what we've-- all of our trucks-- if we purchase these in 2025 they'll all be stainless steel. We won't have any more painted beds.

**Tom:** Where are these coming from, by the way? Where do we order these from?

**Lynn:** These will be-- last time we used Kalida Truck Equipment for the beds, which was a Swenson bed. We'll go out to bid and-

**Tom:** We'll find out.

**Lynn:** -hopefully we'll try to get a familiar. The bed's not the big deal, it's the controls. I want those to be the same for the drivers. Maybe the same engines, so I don't have to buy software to diagnose them.

**Tom:** It's a win from a county perspective, from a financial that we're not only able to loan ourselves our own money internally, but we leave that money in the bank and we gain interest. We save the interest that we would've had to pay to borrow it, but we gain interest by leaving it in the bank as well at this point. Kyle.

**Kyle:** How many trucks are you going to be retiring or is this the fleet expansion?

**Lynn:** 14. We'll get rid of those 14. Now, whether Coliseum will want one, they'll work something out for that or buildings maintenance. They've gotten our older trucks in the past, so they might want to upgrade to our old truck, so that'll benefit them, but we will get their truck in return that they're using now to be able to auction. Hopefully get money back out of the auction, which nowadays they bring pretty good money which would make a payment for us maybe.

**Kim:** According to our code, anything that we dispose of we have to offer at public auction. There is a provision in that that we can offer other government entities the ability to purchase those vehicles if they so choose. We'll entertain those if anyone's interested in those as the time becomes a closer, but we still have a couple more years that we need to use those trucks before we'll get the new ones in.

**Robert:** The question I have always seen and you bring it up. We buy 14 trucks to replace 14 trucks I get it, but then not because of poor maintenance or whatever, it's just wear and tear and stuff. It always seems odd to me we replace them in your department, but it's okay to ship them to the Coliseum or send them to building maintenance. I just don't understand that philosophy.

**Lynn:** The Coliseum has some of our old Volkswagens that are 2002. They would be upgrading-

**Robert:** Immensely. [laughs]

**Lynn:** -11 year newer truck.

**Kim:** They use them for a different purpose than we are. They're not driving them on the roads and that kind of thing. Some of the smaller counties they have a lot less amount of miles that they have to cover, and so they're looking at upgrading their fleet from maybe a 1990 model to a 2000 model, which is better for them.

**Tom:** Josh.

**Josh:** I'm going to add on to what Councilman Armstrong said. I guess I would just ask as a courtesy that before you go full through with that bid, see if any of the local communities around us in the unincorporated areas, whether it's Leo-Cedarville, Hometown, or New Haven, could they benefit by piggybacking on your bid? Then number two is saying, "Hey, we know these trucks are going to be coming out." Because then that's a benefit to those taxpayers because sometimes it's a save, and some of those communities may have a little bit less road miles, and yes, it is an old truck, as you said, "Why are we passing it down?" To some of those communities, it's better than what they have.

**Kim:** Right. The piggyback option is always there for anyone. Any other government entity can piggyback on our bid if they so choose.

**Robert:** With that being said, like Josh said, how does Monroeville, Woodburn, how do they figure that out? Do you let them know, "Hey, we're going to order trucks, would you like to come along?" Do you notify them or how will they learn of that?

**Kim:** The bid is public knowledge, and a lot of the manufacturers and the people that we are working with and that will receive bids on they'll go out and they'll solicit them to jump on those bid bids if they choose to.

**Robert:** Thank you.

**Tom:** It's not anticipated for a few years at this point.

**Lynn:** Correct. Well, this is why we're here early because if we place an-

**Tom:** I'm speaking for the older ones, but yes.

**Lynn:** Well, if we place an order now, it'll be 2025 before that truck gets delivered to us.

**Robert:** That's two more years of wear and tear.

**Lynn:** Yes. Two more years of maintenance, which these aren't supposed to be replaced till 2025. That's where we're going to be. We just got to try to get this lined up so we can get them ordered.

**Robert:** The plan's on target?

**Lynn:** Correct.

**Robert:** To do the rotation out now?

**Lynn:** Yes.

**Tom:** Council, other questions, comments?

**Ken:** Hearing none, I will move for approval of resolution 2023-7-20-5, approving the loan agreement between the Rainy Day Fund, between the commissioners, and county highway.

**Kyle:** Second.

**Tom:** A motion and a second. Council, any other questions?

**Ken:** It says for \$4 million.

**Tom:** Yes, I was going to say, that's actually number items two and three if you want to combine them. Both of those together, Kenny?

**Ken:** Yes, combine two and three.

**Tom:** All right, very good. Had a motion and a second. Any other discussion? Hearing none, all in favor say, aye.

**Council:** Aye.

**Tom:** All opposed. That does pass 6-0-1(Lagemann). Thank you.

**?Speaker:** Thank you so very much.

**Tom:** All right, council. Next up on our agenda, this morning is the consideration of ordinance modifying a local income tax rate. At this point, I think we've got a few folks that will be coming forward this morning, including commissioners at this time. Good morning. If you'd like to introduce yourself and your titles, please.

**Richard Beck:** Good morning, council. I'm Rich Beck, Allen County Commissioner. Behalf of my fellow commissioners, Therese Brown and Nelson Peters, I come before you today to humbly request the adoption of a 0.2% local income tax rate fund to the construction of a new Allen County Jail. In January of 2020, a class action complaint was filed in federal court by the ACLU of Indiana on behalf of inmates at our jail alleging unconstitutional conditions. The facts of the case were not on our side.

In March of last year, a federal judge issued an order for Allen County to file a plan that specified its long-term solution to resolve the problems leading to the constitutional deficiencies that were found to be present in the Allen County Jail. The judge ordered that this plan permanently resolve the issues of, and as I quote from the order, "Prisoner overcrowding, lack of sufficient staff, lack of appropriate prisoner supervision, presence of prisoner on prisoner violence, lack of prisoner recreation, inadequate classification of prisoners, and any other matters that defendants believe must be addressed to resolve the permanently the jail's constitutional deficiencies."

The board of commissioners believes that the construction of a new jail facility is the only realistic cost-effective long-term solution to address the constitutional deficiencies outlined by the judge in his order. The oldest section of the current jail is 42 years old. Its systems are worn down and it is physically irresponsible to continue to put money into it. It needs to be replaced regardless of the lawsuit. The remaining two sections are nearly 30 and 20 years old respectively, and starting to show their age as well. Except for when COVID protocols were in place the Allen County Jail has been at near its rated bed capacity every day since 1981.

The jail facility has been used and abused day in day out for decades. The Allen County Jail was a capacity when the state of Indiana housed our Level 6 felons, and it was over capacity when the state reversed its policy and made us house Level 6 felonies for eight years. Since last July, that state has given, again, taken on housing our Level 6 felons, and we would again be at capacity if every effort wasn't being made by the Allen County Court system to help the sheriff comply with the judge's order to keep the numbers down. The jail cannot be retrofitted to address overcrowding or permit the efficient segregation of prisoners into the appropriate classifications due to its cell block layout.

The fact building is all concrete in steel. It was never designed to be remodeled. In addition, even after the newest edition in the early 2000s, there is a lack of recreation space for inmates. We have multi-floor towers. Getting inmates required-- their recreation takes time and energy and logistics. A lot has changed in the correctional world in four decades since our jail was constructed. The design of the new facility would allow the sheriff to efficiently segregate prisoner populations, as each pod is divided into smaller wedges.



Currently, it is possible that an entire cell block may be utilized to segregate only a handful of inmates in a given classification. The pod design permits more efficient and effective supervision of all inmates. In the pods requiring less employees per inmate, there will also be sufficient recreation space within each pod eliminating the logistics of transporting inmates down elevators through the building to the current undersized recreation space. We would remiss if we didn't also mention that a new jail facility is not only in the best interest of the inmates, but the confinement officers who work in the jail as well.

Over the last decade, nearly \$2.7 million of workers' compensation claims have been paid due to injuries sustained by confinement officers working in the jail. The jail is a difficult place to work, and the additional logistics and manpower necessary to operate and supervise the current jail due to the layout, do nothing to help ever-present challenge of having adequate staff. In the most recent court filing, the sheriff informed the judge that we have the highest paid confinement officers in the state, that they're offering retention bonuses and putting more time and effort into recruiting.

It's showing some dividends, but the layout and the logistics of the current facility always require more officers per inmate than a modern pod-based facility. Everyone agrees that this project is expensive. It is the most expensive public works project in our counties, in 199-year history, but the cost doesn't make it unnecessary. This is a project Allen County would have needed to undertake in the coming years regardless of the lawsuit or its age and condition.

There is no good time to undertake a project of this magnitude, but we do appreciate Judge Leichty letting us work through the planning process of the new jail on our own schedule. It's afforded time for the Sheriff's Department to thoughtfully work through the layout and design of the new facility. It has allowed the board of commissioners to thoughtfully work through the location of the new facility. It has allowed county council to have ample time to think through the financing of the project.

One day short of a year ago, our financial consultants from Baker Tilly presented to council with all the financing options at its disposal to fund this project. They came back again in August of last year to answer more questions that have been in front of you at least two other times, making presentations and answering other questions. They have explained how the jail-specific local income tax rate would work, how it gets adopted, and what it might generate. Allen County provides more alternative programs through incarceration than most other counties in the state of Indiana.

We have more problem-solving courts than any county in the state of Indiana. As the third largest county, we are the second largest city, a positive population growth year after year our community size continues to increase. We have over 9,000 people in its criminal justice system, and we're incarcerating less than 700 today. There are programs that exist and they are functioning. We're not immune to the issues faced by other large metropolitan areas. Despite all of our programming, the jail population will continue to increase over time, and it is already overcrowded.

At presently configured, the proposed Allen County Jail would have a rated bed capacity of 1,334 beds spread over five pods. The rule of thumb is that your jail headcount should be 80% of your rated capacity. That 80% number would be 1,067, a little more than 300 beds more than our current jails rating capacity. Data estimates this project would permit adequate

capacity for the sheriff over the coming years. The current all-in cost estimate for hard costs, soft costs just under 324 million. Due to the size of the project, we'll need to issue bonds.

If interest rates only rise a quarter of a percent to the bidding project this winter, the 2.2% LIT rate would generate roughly enough to undertake a \$314-million project. The board of commissioners will contribute \$15 million towards the jail, in addition to purchasing the property and continuing to pay the architect, engineers, and owners representatives from funds under its authority. The 2.2% LIT, plus our 15 million should provide sufficient funding to cover the hard and soft costs of the project.

However, the next six months as we start the bonding process and finalize construction and bidding documents, interest may increase beyond 25 basis points. It is also possible that bids come in higher than the cost estimates. If either occurs, council will need to use available cash on hand from the general fund to put toward the project. The recent lawsuit is a second federal class-action lawsuit in the last 25 years. Allen County has lost or settled due to overcrowding of the jail. As far as it depends on us, we have no intention of there being a third lawsuit.

We must resolve the issue of overcrowding once and for all. This is a big project with a big price tag. We have talked about building a jail for over 14 months. As the body required [unintelligible 00:44:11] a lot to provide and maintain a jail, we believe the location, size, scope, and finishes being planned are appropriate and adequate to both fulfill the judge's order and meet our community's needs now and in the future. As your body required [unintelligible 00:44:24] to oversee county finances, we humbly request that you adopt a point 0.2% local income tax rate to fund the construction of a new Allen County Jail. Thank you. Any additional comments?

**Tom:** Any further comments from commissioners at this time? There's been a lot of discussion and we'll open it up for questions and comments in a minute. One of the thoughts was, what are the next steps in this process? Let's talk through that a little bit. Should that be adopted today what happens next? From the commissioner's standpoint, from the design discussion budgeting process.

**Richard:** I guess we would be looking at the bond counsel for guidance on that because the bond counsel really is the timeline that we have to pay attention to it. It takes six months to get that accomplished. That's what we'll be looking at.

**Tom:** That discussion about how much and the scope of that bond has to be brought back before this group for approval. Is that accurate?

**Richard:** I believe so.

**Tom:** From a discussion about the scope and the size, we've had some discussions about-- initially, there was a thought of 3000 beds, and that number has been down, and we're even having some discussions about dropping a pod, at this point. If that number drops further, you could be down to 1,000 beds and considerably less in the overall cost of the project, but that isn't being decided today. Rather, what we're looking for today is an approval of a revenue stream that would need to take place to even move forward at this point.

**Richard:** Yes, that's correct. That's all we're asking today.

**Tom:** For us to look at even the existing jail to do anything with it, and should that even come up, which is not a recommendation or interest from the commissioners. We probably wouldn't have a revenue stream anyway to be able to pay for that down the road, either. Point two, should it pass, would allow other options should that discussion come up, if there was interest. In other words, this adoption of a point two isn't picking your plan to go forward, is simply establishing a revenue stream to go forward at this point.

**Richard:** Technically speaking, yes.

**Tom:** All right. Council, open it up for questions, comments. Ken.

**Ken:** I don't want this to be an argument or problems or anything, but the public has said this has not been transparent and I agree with them. This process has not been transparent. We've been cut out of this as well as the public has. I heard about the location that the jail is going to be built over a year ago from the news media, and I've got problems with that, that this plan is put forward, and then you come to us and ask us for the money.

I came to the commissioners March 24th and asked you to please take a look at the old jail. You tell me it can't be rehabbed. You've got a parking lot on the end of the building, that is space that could be used to do that. We had a company that would come and do it, that hasn't been donations to campaigns, that hasn't been involved, that doesn't do business with us. [applause] It was willing to come in and do it and you refused. I asked you again, "Would you please take a look at that?"

As county council, we need something to be able to go the public say, "This is our only option. Our heads are on the chopping block. We don't want to have to have the taxpayers pay for this, but we've had no other options." We asked you, "Please take a look at the jail." If this company comes in that we trust, can tell us we can't do it at this jail, then we have to build a new one. If they come in and say, "We can do this for 100 million and save the taxpayers \$200 million," I'm all in.

**Tom:** Other comments? One of the thoughts of going forward with this process today is the ability to sit down with the commissioners further and have a discussion about scope and size. I guess other commissioners willing to have that discussion in setting down after if a revenue process was passed, and that further input from the council is welcomed and would be open for those discussions at this point. Council, other thoughts at this time?

**Robert:** The only question I have and it was brought up from our speakers is, what happens if we would table this until next month to make sure that we have a full council to vote? Does it hurt anything, does it slow things down?

**Richard:** It slows things down. It would make it difficult for us to meet the timeline for the bond council.

**Tom:** Okay. I look at it from a council perspective, and we'll open this up for further discussion here in a little bit. I'll just mention from a council perspective, we've got the opportunity to have further discussions. We've also brought up with the commissioners the idea of eliminating a pod that would bring some of those costs down almost to \$80 million from what had been initially put out over \$350 million. We'd be looking at 260 sum should we get to elimination of one of those pods at this point.

One of the challenges for us as Council is that this is going to go back before the judge in September, I believe. As a result, the reduction, even though Council might be in favor of reducing that, could be that the judge comes back and says, "Ah, ah, you're reducing those beds too much at this point." That could face us again, but that could be an issue for Council to have that discussion with the Commissioners at this point.

We have had a number of people that, even though they're not in this room that represent both the Sheriff's Department. He's unable to be here today as he's accepting an award, I think downstate with one of his employees. Those employees, actually, work in the jail, and some of the programs that they deal with are being recognized. This particular employee is being recognized for some of the programs that they're helping inmates with at this time. We have with us Mike McAlexander, the prosecutor. Mike, is there an interest in sharing any thoughts from your perspective this morning? Yes, if he can come on up, that'd be great.

[pause 00:51:40]

**Mike McAlexander:** I'm Mike Mc Alexander, the Allen County Prosecutor. I had several thoughts on this and I, certainly, don't want to come in and claim to be an expert on, certainly, the financing and the cost. I do think, though, that we have to remember that this building, our current jail was probably designed close to 50 years ago. The growth of the Criminal Justice System and additional crime have been significant and the type of people we're dealing with is significant.

The report that the Health Not Handcuffs Group brought out talked about safety and conditions for inmates. It is true we have more mental health issues, more medical issues, but the facility that was build in 1981 was not designed to take long-term inmates. It was not designed to handle medical issues, much less mental health issues. It was pretty much for misdemeanors, to do 30, 60, 90 days and hold people on felony charges till they could be brought to trial.

Because of the volume we have, we spend more time now in pretrial preparation. They are held longer before their cases are disposed of in court. However, with all of that, we have also instituted many programs. That same report neglected some things about Allen County. They referenced some other counties that had programs. Well, we have all of those programs and more.

We started a Pretrial Release Pilot Project back in 2017. If we had not started that, we probably would have more people in, but it vastly changed who we keep in the jail. Most people are ORed, released on their own recognizance shortly after their arrest. The people that are in there awaiting trial, especially on lower level offenses, are people that have violated either pretrial release conditions or are accused of committing new crimes while out on probation, so we have done a lot.

In the early '80s, you either went to prison or you were on probation. That has changed. We put a lot of effort into rehabilitation programs. It is mandated, but it's also enforced within our constitution of the state of Indiana to do that, and we do that. We have numerous programs. The beginning of community corrections and probation, we try, in almost any case that we put somebody on probation, we are doing a psychological or substance abuse evaluation on them to see what services they need.

We usually make that a condition of their release that they have to go through and take programs and follow the recommendations in the psych report. We are doing tremendous things to try to keep people out of the jail. At the moment and since COVID, we have probably gotten a little lighter to try to keep that program or the jail population down. The people that are in there are either dangerous to the community, or they are people that have violated other pretrial release or committed new crimes while awaiting trial.

When we look at who's there, the people that are there should be there. We recognize the mental health issues we have and we try to move on those people to get them the treatment that they need. The same thing with the people that are addicted to drugs, but all of these people are there because they have done something in addition to their first crime. We don't have people in there on possession of marijuana as a first offense.

We have Pretrial Diversion Programs, and we have numerous programs too. We have a Drug Court Program that we try to get people treatment. We have an OVWI court to deal with drunk driving. We've got a restoration court that deals with mental health issues. We are putting tremendous resources into these programs and trying to keep, not just the jail population, but to rehabilitate the people that come into contact with the system.

I attribute this to the work of the judges, my office, but also remember we have our first priority, just as it is with law enforcement, is to protect the community. I don't want to belabor this but I do believe that there are a need for both the safety of, as was mentioned by the commissioners, safety of our confinement officers, as well as the safety and health of the inmates that are in the jail.

What Councilman Fries said, if there's another alternative to save money, I think we should, definitely, look at that and see what we can do. I know part of the design on this is the pod system that may result in needing comparatively fewer confinement officers, and it would promote the safety of those confinement officers. I think we also, we've artificially reduced the population a little bit by the removal of the federal prisoners. Right now, I believe they're being housed in either another county in Indiana or a facility in Ohio. That makes it very difficult. If we have a Federal Court here we ought to have access to the prisoners for the system to deal with.

**Tom:** Which we do, right? Federal Court. [crosstalk]

**Mike:** We have a Federal Court.

**Tom:** Yes. What you're saying is that, that allows that process to be handled more effectively. Yes.

**Mike:** Right. They shouldn't have to drive an hour and a half to visit their clients or to transport them in here. At least previously, they did pay for that. I think again, if we're going to be a central community, we need to have the facilities to handle those people as well. At that stage, I guess that's what I have to say. Any questions?

**Tom:** Yes, I guess one point, and we're getting a lot of echo out here, but one point would be, Mike, you mentioned, and it's been commented by a number of people in this audience, but also in previous public hearings and such, that we don't do enough to keep people out of the jail. We've got 9,000 people, 9,000 people currently in our judicial system. It's approximately that number.

9,000 people in Allen County are in the judicial system right now. There's approximately 690 in the jail. That piece continues to be missed, that there's 9,000 in our judicial system that are on some kind of ankle bracelet probation program. There's over 20 different programs that are offered in this county. Mike, correct me if I'm wrong here, but this county is recognized throughout the state as leading in terms of alternative sentencing. Is that accurate or not accurate?

**Mike:** Yes. I think frequently we post other counties that are looking to institute new programs because we have so many of them.

**Tom:** Yes. Council for the prosecutor. Thoughts, questions, anything?

**?Speaker:** Just one. Mike, I don't know if you know, do you know the average stay in our jail? I know it used to be 28 days.

**Mike:** That always gets skewed right now because I think the post-COVID years we had a significant increase in homicides. We had over 30, close to 40 murderers or accused murderers in custody. Most of our trials so far this year have hit murder cases or major child molesting cases. We've tried over 15 murder cases this year and we still have about 30 [chuckles] to go.

Just to give you a comparison, the first year I was in the office in 1984, we had five homicides in the county. We've never been in single digits since then. We've been a little bit lower the last this year and last year. It's a different world than it was in 1981. Some of the people in some of the things that go on are clearly a danger, and we have to have the capacity to keep them.

The other part of it is, when we put conditions on people to stay out and they violate them, what answer do you want to do? A lot of the Criminal Justice System is like being a parent. If you let your kids get away with everything, every time, you're going to have really bad kids. We set rules for them and conditions, and if we don't enforce them, we will only see an increase in lawlessness and a need for greater incarceration.

**Tom:** Thank you. Bob, you had a question?

**Bob:** I have a question, not to put you on the spot or anything. I'm looking at email or a memo here from May 19th, 2006, and it was to the Allen County Justice Mental Health Collaboration counsel. Do you know anything about that? Is that an active Council or is that a Council that--? It talks and discussed about the support of the County Council into the justice and mental health collaboration grant effort. Do you have--?

**Mike:** I don't remember that specifically, but it's not like this is a new issue. We've been aware of mental health issues for years. The law has a procedure for people that are believing they are incompetent. The legislature added a plea of guilty, but mentally ill, probably at least 30 years ago. There's been a recognition of this. The problem has been if you have somebody who's committing violent acts and it's usually against their own family or their caregivers, where do you put them?

Sadly, the jail is the last chance. When an officer on the street is faced with somebody, they can let them go. They can admit them to the hospital, if they're medically eligible, they can commit them if they have psychological or mental health issues, and they meet that criteria or

they arrest them. That's the sad choice that we have been faced with. I think every police officer and every prosecutor would love it if we had adequate mental health facilities to take some of the people too, but when you--

**?Speaker:** Great. I love that.

**?Speaker:** Yes.

[applause]

**Mike:** Please, when you cross that line, however, into violence, you may have mental health issues, but you also committed a crime and you're a danger to the people closest to you.

Then you become a danger to everyone else who deals with you. Everybody talks about mental health like, "If we diagnose it as mental health, problems go away." That's frequently where they stop or start because the people act out against their caregivers at the hospital, at the facilities, at the police officers that are trying to do order.

We have all sorts of crimes, battery against a public safety officer, a lot of it comes from our mental health facilities. It just comes down to, there are people when they cross that line and they may have mental health issues, but they also committed crimes. We have a responsibility to the community, to everyone else to keep them safe as best we can.

**?Speaker:** They're part of the community.

**Bob:** With that, it goes on, it talks about starting a process, strategic planning, outlining for the grant. It was a grant request purpose. It said that they were requesting frequent updates of the program. Not putting you on the spot, but where do I go look to see if this is in existence? Because it was a collaboration of stockholders from the city, the county, the judicial system. Did it just fall on death air, or?

**Mike:** As I said, I don't really remember the specifics on that. However, the Legislature, I believe it was two or three years ago, created local JRAC, Justice Reinvestment, and have we locally have adopted essentially our Community Corrections Board which has statutory requirements as to who serves on that. The local JRAC has a responsibility to investigate what services are provided to the criminal justice community, and that includes Mental Health Services. I would say that function has pretty much been adopted by JRAC.

**Bob:** Okay. Thank you, sir.

**Tom:** Other questions for the prosecutor? No other questions. Mike, thank you. Anything further?

**Mike:** I don't know exactly on this, but when you guys walk out of here today and you look over to your left, you'll see a big building. We call it the Allen County Courthouse. It was built about 125 years ago. I believe at the time they build it, Allen County had either one judge or maybe two judges, but they did look forward and they built four very large courtrooms. As a result, 125 years later, we're still actively using a building and we didn't turn it into a museum, it has been an investment in this community that I think has served us well. It took foresight and vision by the community leaders of that day to do the right thing.

**Tom:** All right. Thank you very much. Thank you. One of the things that I've done in recent discussions and this process for some of us, has been going on for 10 years. I had discussions with the auditor about 10 years ago, asking at one point what will we do? When will this happen? That day has come that we're faced with, and that force has come to us by an outside federal judge. One of the things I've done just recently is to reach out to community leaders.

I have in speaking with the Mayor of Fort Wayne, he also supports the movement forward on this process. He's provided a letter of support that reads in part, "Recognizing that the proposed construction of the new jail impacts the citizens of our community in various ways." I have followed the interest in discussions and decisions to date within the Allen County government structure. The Federal Court has clearly found that the county's existing jails is in adequate at multiple levels."

"As the city's Mayor of Fort Wayne, I am hopeful that the county's ultimate response to the court's finding will result in comprehensive restorative justice facility that addresses mental health, addiction, life skills, as well as the needs of incarceration in this community. I've also received word from Tom Didier, who is also a candidate for Mayor also in support of this knowing that this is something that this community needs at this time." They have both submitted text to me in that regard. Council, I'll open it for further discussions or questions. If there's a motion to move forward on this, I will accept motion at this time.

**Don A Wyss:** I want to make a few comments. These are just personal comments and they're probably random comments. As a new member of Council with Councilman Hale. I won't speak for Councilman Hale, but I just want everyone to know that I have appreciated the process and I have done a lot of listening. The public hearing that we had, I took a lot of notes and I really appreciate it.

I just want everyone to know that I didn't take that lightly. As a member of Council, I went out and found what I thought were experts in the area. Toured the old jail. Toured the old jail with Councilman Lagemann and Councilman Hale. Had conversations with the people in there. Saw firsthand what the people that work in the jail, that Commissioner Beck mentioned, what they're dealing with, it's not all roses.

**?Speaker:** It's not supposed to be.

**Tom:** Please.

**Don:** I'm just making personal comments. As a response, I think someone mentioned the Citizens' Task Force. I think those are all helpful ideas. I think it should be a community discussion in regards to that. We are, naturally, at a moment where we have to make some decisions, but at the same time, there's a lot of good that has come out of this process. I, for one, appreciate the people that have given perspective and spoke out on that perspective because I do think it helps frame ideas and community involvement since we are all Allen County members all going forward. Thank you.

**Tom:** Bob?

**Robert Armstrong:** These are just my personal opinion or view. There was comment made from President Harris reading, "the Mayor and Tom Didier, and where are they?" I get it. Here's the thing that I don't understand and can't grasp on is, the sheriff don't incarcerate people, the commissioners don't incarcerate people, and this Council does not incarcerate



people. The people that control the beds and the overcrowding that is talked about in the lawsuit are the judges. You ask the question, "Where is the mayor and where is Tom Didier and others?" I'd like to know where the judges are. Why are the judges getting a pass on overcrowding of the jail?

[applause]

**?Speaker:** [unintelligible 01:12:36].

**Robert:** The only comment I have.

**Tom:** I would like to share some comments. You all might want to sit down for this only because it is a bit lengthy. Because of the community and the Council has had a contentious long deliberations for months over this process, I feel it's my obligation to share my point of view over this entire situation. Why are we here? Let's talk about the history. There have been hundreds of meetings, hundreds of discussions, and thousands of hours listening and learning and gaining an understanding about this judicial system and our process, what's working and what isn't over the last 10 years.

For some of you in the community that I totally recognize that have just become aware of it in the last few years, these discussions have been going on for some time. Previous sheriffs have come to Council and said, "You got to do something about the jail. We've got to do something." This has happened for 10 years. Why are we here? Due to litigation. The commissioner and it's been brought up before that litigation is driving this issue. That's why we're here.

Now, why we're here? The sheriff is wanting it. County government, we turned to the sheriff, the commissioners turned to the sheriff, and the sheriff is responsible for housing prisoners effectively and safely. The sheriff wants this happening for our county. Why are we here? The commissioners are responsible for buildings and structures. They are wanting it. I mentioned a couple of the mayors, but there are other mayors in this Allen County area that have also been in support. I have spoken to them.

One of the reasons we're here is a need for safety. One of the responsibilities for County Council is to assure that employees work in a safe environment that reduces a chance of injury or harm for them. The structure and the condition of the jail is not meeting our responsibility. Numerous concerns about the ability of appropriate staff levels, the infrastructure, the plumbing, the wiring deficiencies, the elevators, moving inmates up and down through elevators.

They've changed the design of jails because if you try to bring inmates downstairs, sometimes they will fall and they'll take other people with them in an injury process that puts them into an infirmary. Safety of inmates is crucial. We have a responsibility for that as a community. Safety to our community. Building a more effective jail, it'll reduce the risk of this community by having better security systems for our employees, a better layout, and a larger footprint in the space around the jail to provide better management of the overall facility.

Initially, consideration of finances. We mentioned that this has gone from initial of \$350 million. We're down, at this point, to approximately \$260-something million, and we're still working on that. That would happen next in this process. We've gone from 3,000 beds, now we're at approximately 1,000. Just over 1,088 is, I think where we're at. More work is to be

done. More work can be done from Council and the community at the next steps in this process.

One of the things that's been missed a little bit is LIT versus property tax. Council's discussing the idea of a lit tax. The LIT tax allows us to drop it, reduce it over the years to come. As our community grows and such and we're having more revenue coming in, we can, actually, reduce that. The property tax situation, everybody's well aware that the property taxes have been going up because of what?

The demand and the success of our community. As a result, that property taxes have been going up. We don't want to have this land on property taxes, that's why we're looking toward this process. This is a bid to, actually, control cost and to have a better management of those cost come after an approval of a revenue stream. That's what we're discussing today.

One of the challenges for our community is the success of Allen County and the success of Fort Wayne. That success in the downtown growth has limited the opportunities to consider either other areas downtown, or it limits the consideration of doing more with the existing jail because of the amount of investment that grows on both sides all around the downtown area.

Let me point a couple things out. In an immense growth of this county over the last 20 years, I'm going to list a few and I will not hit all of them. We've grown with millions of dollars of investment in companies, offices, hotels, businesses, apartment housing, and downtown Fort Wayne, including Do It Best. We've moved the baseball stadium from the Coliseum. We've expanded highways throughout Allen County. We've grown \$62 million with the Electric Works program.

We've watched our hospitals expand. We've watched Lutheran expand, we've watched Parkview expand. We've added IU Medical Center and another major hospital to this community. We've created growing the riverfront. The city passed that for the entire county, and that's now a desire to make that an attraction for Northeast Indiana. We've renovated our schools. All four districts in Allen County have grown in terms of population, they've grown in terms of buildings as this community has grown.

We've watched government, including moving into this building, local government the need for growth for local government as the community grows. We've watched the scope and size and options for higher education in Allen County grow, including Indiana Tech, PFW, Manchester College, University of Saint Francis, to list only a few. We've renovated and expanded our airport significantly with millions of dollars of investment.

We've renovated and replaced our streets, our sidewalks, even the MamaJo sewage system for the city. Fort Wayne was to improve the rivers and the quality of life in Allen County and Fort Wayne. We've grown the city and county government. I've mentioned, we've watched the number of neighborhoods grow by the hundreds in Allen County over the last 20 years, and thousands of new homes have been built and are continuing to be built.

We've watched our population grow faster than the state's average, the second-largest city in the state. This county is one of the fastest-growing counties in the state of Indiana, in the Midwest. It's recognized as one of the best places to grow a family and to put a business. We've watched our businesses commit to over billions of dollars of investment in Allen County in the last 10 years, averaging over a billion annually in the last several years, and even \$2 billion in recent years. We've even raised, the roof on the Coliseum was, literally,

raised as a growth in this community. Today, in this Council meeting, we just passed \$62 million abatement for another company landing in this community with 400 to 600 jobs. Over these 20 years, we've had massive growth. I haven't even mentioned some of the other communities. With all this growth to our community, the size of our jail has not increased in 20 years.

Protection of our citizens in this community is our responsibility as community leaders. This is not an easy task to do. We do not like taxes. I'm a Republican, I don't like taxes, but I'm telling you, we owe something most importantly to this. We have watched this discussion go on for 10 years. I've watched this. In five years, in all the discussions that have happened, what I don't hear, and it concerns me a lot, who's looking out for the victims of crime in our community? Who looks out for those individuals?

For the last five years or more, the focus on jail issues has been more focused on inmates, their rights, and how they're treated. What's been missing in these discussions are the victims of crime in Allen County. Victims of crime have also been growing in Allen County, with 9,000 people in our judicial system today. 9,000. Excuse me. Excuse me. With only 600 in jail, there's a lot of people or victims of crime in this community, and somebody owes them some responsibility.

Now, the judges were forced to consider only one place for sentencing. About five to seven years ago, I was on Council and we gave \$5 million to the commissioners to buy a facility on Cook Road to provide alternative sentencing. That process was passed years ago before some of these discussions were even brought up. We provided the judges with alternative sentencing for this community. They deserve that, our community deserves that, we, as citizens deserve that.

That facility is filling up. Why? Because we can't put them in the jail. If we can't put them in the jail, we're going to put them in alternative sentencing. Ladies and gentlemen, that trend will lead to bad outcomes in the long run. We can't continue to put everybody in ankle bracelets in Allen County. There is a need for a larger jail. We are looking at ways to reduce that cost. We're also saying maybe it doesn't have to be 3,000 beds. This group is saying that.

A need for a new jail is there. We've dealt with that. Frankly, this needs to be known. If we don't pass this today, this problem does not go away. It doesn't. It just keeps coming. It'll be coming back from a judicial system. By voting no, in my opinion, this is my opinion, by voting no, it's likely that the ACLU will enjoin the County Council into lawsuits and thereby costing county citizens more money, more time, more cost in litigation, and delays in this process.

By voting no, this issue does not go away. It will be delayed, and that delay is costing in terms of the construction cost, and we don't get a chance to start honing in on controlling those costs. That's what we want to do. Ultimately, the support is there in the community from leadership, knowing that if we don't fix this, as it was mentioned with the situation with the courthouse, this problem will only get worse for our community. We have got to solve it. We're responsible for trying to find a way out. Ultimately, the victims of crime deserve somebody to stand up for them. I'm going to be supporting this today. With that, Council, thoughts on that?

**Councilman Fries:** I have some.

**?Speaker:** [inaudible 01:24:07] citizen.

**Tom:** Is there a motion to move forward at this time? Then we'll open it for further discussion. We can open it for further discussion.

**Councilman Fries:** You get to say your piece, but I'd like to say mine.

**Tom:** No, please. Yes, go ahead. Go ahead. Please.

**Councilman Fries:** I've got a problem with a lot of the statistics and stuff that you have given. You've got a lot of inaccuracies. The only thing you're right about is the victims need to be protected. There are too many bad guys that are running the streets right now that are getting released that shouldn't be. That doesn't mean we need to spend \$300 million on a new jail.

**Tom:** I agree.

**Councilman Fries.** That's why I say we need to take a look at the old facility and see what we can do. You guys talk about the jail like it's, "Oh my God, it's a horrible place to be." It is. It's a jail. I worked there. I worked in this jail. I worked in the jail that was built in the 1800s. It's not supposed to be a great place to go. When I was a sheriff, and you say previous sheriffs came and said, "Do something about this shit."

This sheriff never came to Council and said, "Do something about our jail." I would tell people when they didn't like the food, "Don't come back." That's how I look at the jail. Don't come back. Don't commit crimes so you don't come back to jail. I don't believe the citizens should be paying \$300 million or more for it. The reason it's not on the property tax is because there could be a referendum, and they don't want that to happen.

[applause]

**Councilman Fries:** If the citizens have a choice, they will say, "No, you can't have my money to build this jail." That's why it's not on the property tax. Don't believe anything else, but that's the reason. That's why I'm against this. We need to do more. We need to say, "Are there other alternatives or something else we can do?" I still believe you lock up bad guys.

**?Speaker:** Wrong location.

**?Speaker:** Move it.

**?Speaker:** Look at other locations. It doesn't have to be in this city. It doesn't have to be in the opening school.

[background conversation]

**?Speaker:** That's 220 homes.

**?Speaker:** They all should come around somewhere.

**Tom:** If you guys can just hold comment. This is our opportunity, after long deliberations, to have some discussion.

**Kyle:** I'm going to start off by saying I will not support the tax increase today, so everybody knows. I'm going to jump into my reasoning. We're the fiscal body. We're supposed to protect the taxpayers. I've had a problem with this process from day one. I will jump in and say, if I was still in Tom's seat and these outbursts would have continued, I would have cleared the room. I ask you to be quiet and respect our opportunity to speak.

That is a privilege that Tom does retain. I would ask that through the rest of our talks that you respect our opportunity to speak as we've respected your ability to come forward. That said, this process started. We're the fiscal watchdogs of the county taxpayers. I've taken the opportunity to meet with multiple architects, as has Councilman Fries. It weighs heavily on me that the rest of the state's paying anywhere between \$125,000 and \$165,000 a bed.

We're being told it's \$250,000. In a meeting with the architect, we brought up the fact that you would think when a jail gets bigger, the price would go down. You build more widgets, widgets get cheaper. The response was, "That's not how jails work." It doesn't make sense in my mind because even if you remove beds from our jail, it gets cheaper per bed. If you look at the price estimates that we received for our jail, it's shockingly close to what our bond amount is.

In my mind, this was all backwards. It was going to the car dealership and the salesman going, "What do you want your payment to be and here's the car we're going to put you in?" That has been my take from day one. I think it has been mismanaged from day one, starting with the selection of the architect that was three times higher than the lowest bid and one-and-a-half times higher the middle bid.

Maybe we do incur some more costs by delaying. Maybe the judge tells us to go back to the drawing board. Maybe some other architects or designers get involved. The difference between the lowest bid and the highest bid on a \$300 million jail was \$6 million to the taxpayer. Think about that. That's just on the architectural side. For those reasons, that's why I'm going to vote no. I will point out that I do commend our community corrections.

They do a fantastic job managing a number of the alternative sentencing programs. This has been pointed out many times today. There are 9,000 people in the Criminal Justice System. When this started, there were 11,000. In the course of 18 months to 2 years, we've moved 2,000 people out of jail, out of alternative sentencing, out of work release, graduated them from problem-solving courts. This county is doing everything that the help not handcuffs coalition is asking us to do. Any time that judges have come to us and asked for a problem-solving court, we've funded. Every time Community Corrections has come to us and asked to expand programs, we've done it. We've taken the steps to try to alleviate the pressure on the jail. That said, I with Councilman Fries, we are going to have to do something, but I don't believe that what's in front of us right now is the end result. I'm sick of hearing, "During the next steps, we'll let more people get involved." I've heard that for 18 months, and at some point, we have to put a line in the sand and we have to put our foot down and say, "Enough is enough and this is too much," and that's today.

**Tom:** Josh?

**Josh:** Well, I guess, I'm the last one to speak, so everybody's waiting to hear me say some-- I guess, I want to say thank you to all of you that have come and have spoke your piece. That's what we receive in our country and that's important. I appreciate each and every one of you. I

appreciate the, I think I received about 16 emails in the last eight hours, and I have not read all of them. I explained to the Council president that this has been a very exhausting week.

Commissioner Beck, I admire you for standing up and speaking and doing what you're supposed to do. Prosecutor McAlexander, I appreciate that you came up here. That was one of the things that I asked when President Harris had shared that there was folks in support. I guess what I want to say is that I think we can delay to do some things to show our due diligence, to show that we have research, that we have exhausted every opportunity to make sure if we have to spend whatever that dollar amount is, that we can look each and every constituent in the eye and say that, "Yes, we did the best we could." I don't think that it's going to be cheap and nobody's going to like having any type of an increase in tax in any capacity. I did tour the jail. I do understand the concerns of the things that were listed. I do honor that the officers are in an unsafe position as well as the folks that are in our Allen County Jail. I think we need to do a little bit more time to be a little bit more transparent.

Maybe we could do some infomercials, maybe we could put something in the newspaper. Maybe we can highlight some of these things that we don't want to say or maybe people don't want to talk about. It's very hard when you speak to some of the correction officers to understand some of the things, but I'd be remiss if I don't honor what you said, Kenny, it is jail and if you don't like it, you shouldn't be in there. I think you have a valid point that we should honor that as well. I guess that I would just ask that whatever direction and whatever vote we choose today that we need to do a little bit of a better job of getting the information out there.

People are not going to like whatever the choice would be of any type of a cost to us as taxpayers, but if it's necessary, we need to be educated on it. As you said, folks had the foresight of that Allen County Courthouse 125 years ago. I hope that we have the foresight to take our time to do what's right so that we can look each and every person in the eye and say, "This is worth it and we have to do it." We know we feel that it's necessary, but I think we need to take a little bit more time and educate our community, why it's necessary and some of the things that are going on. [silence]

**Tom:** Anything further Bob?

**Bob:** No.

**Tom:** Don, anything further? At this time, I'll entertain a motion to move forward on the consideration of this ordinance. Is there a motion to move forward? [silence]

**Don:** I guess I do have one final question. Commissioner Beck, you mentioned this is-- or maybe it was you Councilman Harris, we would just be approving the revenue stream today.

**Tom:** Right.

**Don:** We would still have that opportunity to address a lot of the comments that other councilmen have shared today in regards to scope other community input, none of that would change. All we're talking is the revenue stream. I get it, it means we're going forward. At the same time, it still is giving us a large piece of time to have those conversations. I will make the motion. I will make the motion that we will modify the local income tax rate by that 0.2% moving forward.

**Tom:** Got a motion, is there a second?

**Bob:** Second.

**Tom:** Second. Any further discussion? Hearing none. I think I've heard that a few times this morning, and we actually had talked about that a little bit. Bob, we want to start with you on your vote this morning.

**Bob:** No.

**Tom:** Josh.

**Josh:** No.

**Tom:** Don.

**Don:** Yes.

**Tom:** Ken.

**Ken:** No.

**Tom:** Kyle.

**Kyle:** No.

**Tom:** For myself, yes. That item dies today at this time, so that is not passed 2(Harris & Wyss)-4(Hale, Armstrong, Fries, Kerley)-1(Lagemann).

[applause]

I think that comment was said it's not over and that's exactly it because we still have to deal with this on a County Council prospective. Commissioners still have to deal with this, this community still has to deal with this issue. Can't say it's not over. All right, thank you very much. Next item on the agenda today is we're going to have the auditor talk to us a little bit in terms of the budget.

**Don:** Order please.

**Tom:** In fact, let's take maybe a two-minute break. We have Nick Jordan, our auditor, speak to us with the 2024 budget discussion.

**Nicholas:** Yes, good morning council, and just take two minutes to give a brief overview of what we're doing today, what we'd like to see as an outcome. Today, we look for council's determination on whether they would like us to tell departments to stick with their 2023 allocation increases by X percent, reduce it by X percent. Tomorrow, we'll send out spreadsheets to the departments. They'll return those to us in August, with their initial budget, either meeting your allocations and/or appealing your allocations.

Then we have the hearing in September, and we have the adoption in October. The other piece that we have generally asked for in this meeting is if we can have an indication of what

you'd like to get for a percentage raise. If you don't want to make that determination today, we can do it at a later date. It just we have to factor it into the process later.

**Tom:** By the way, last year we generally pick this meeting. We could do it in August, but it's going to throw the auditor's office.

**Nick:** It just what happens is we send out budgets saying meet your allocation and then we don't really know what the budget will be because we don't know what percent raise you're going to give or not give. It can definitely be done later. I can't remember if it was last year or two years prior, council said one thing and then we've changed at a later date so that's complete. You'll see in the documents, which I'll get there.

I have a 3% and that was simply based on the discussion that ensued during the first phase of the compensation study that I believe 3% was the figure that would bring everybody whole or full. It can be whatever you would like it to be. I'm not at a point with my revenue estimates that I'd like to make a recommendation because I need to see what our LIT is going to be. Let's go through the document. You guys please stop me with any questions.

**Tom:** We can do Treasurer's report first so I know where to get to in my--

**Nick:** Yes.

**Tom:** That's what I was wanting. Where are we at in the packet because I'm at the treasurer's report right now.

**Nick:** We can definitely do that. I was able to tie into the revenue with our revenue estimates anyhow. Through the treasurer's report, you see June 30th. Let me minimize this a little bit so you can actually see it or if you got it in your hand. The general fund as usually council is most concerned with, I know it's hard to see in the screen, but miscellaneous is almost 70% even though we're only through 50% of the year. Approximately seven million of that was due to the LIT supplemental distribution that we received, that is about three to four times higher than we normally received. It's almost \$5 million dollars more.

If you'd back off-- doesn't want to move forward. [silence] On here, just on the [unintelligible 00:08:13] so you can see this. At the bottom of it you'll see 33 million, which we saw on the other page. That'd be closer to 28 million. If we didn't have that 30% supplemental distribution, that would bring that 69% down. The other big thing is obviously the interest revenue, which you can see here because again, these are based on our estimates.

**Tom:** You missed that estimate, just [unintelligible 00:08:35].

**Nick:** OH, wildly missed. I did not anticipate the Fed to keep going up. They more than likely will do it again before the end of the year.

**Ken:** I'm saying we don't see that diminishing.

**Nick:** The interest?

**Ken:** Right.

**Nick:** Two routes to go. If you're going to spend down the cash balance, it will go away. I do not believe the Fed's going to drop rates significantly next year. When we get to the budget



piece, you'll see that's bounced up to \$5 million interest revenue. As of 6:30, if we're still doing this part of it that's off. Then, like I said, the LIT supplemental distribution is the other piece. If the LIT supplemental distribution were smoothed out again, it would be closer to 2 to \$3 million instead of \$7 million smoothed out over five years. Because the last few years our LIT supplemental has been closer to 1.7 to \$2 million, not \$7 million.

That was because the economic impact payments that came in 2020 became taxable income for individuals were not factored into our distributions, and then were given to us in a supplemental distribution because of how state law works. State law sits on 15% of our income tax revenues, due to the county. Once it exceeds that 15% if they haven't already distributed to us, they're required it is distributed to us each year. That's why our supplemental was up way more than it normally was. I can take any questions and we're out as of 6:30. If not, we'll jump into the budget document.

**Tom:** Otherwise we'd need a-

**Ken:** Motion to approve auditors report. First.

**Council:** Second.

**Tom:** Second. All in favor say, aye.

**Council:** Aye.

**Tom:** We passed that. We can move into the budget.

**Nick:** All right. In your document, this is the summary page. I'm going to just go to the next page. You guys can still look at the either one that you choose, but just you can see the percentages I'm walking through this. The next page in your document breaks it down to a little bit more detail.

**Kyle:** Hold on. Is this a separate work-?

**Nick:** Yes, it's a separate budget allocation. If you can go to Allen, it's on our Allen County auditor website if you're going that route. If not, I send you the link.

[pause 00:10:45]

**Tom:** You good to go, Kyle? Did you find it? Okay. You good? Okay.

**Nick:** At the top here we have approximately \$132 million of estimated revenue. You can see it's broken down here into the major sections. Because of the law that was just passed by the legislature for this year for going into 2024 and going into 2025, our growth quotient into 2024 would've been over 5%. The law that they just passed in the legislature limits that to 4%. Our property tax can grow at 4% into 2024. You can see I've increased that by 4%. That's approximately \$3.3 million.

We take out the mental health and arc levy just because that's a pass-through. It's not something we can operate on. We take out our circuit breaker credit. Those are revenues we don't anticipate receiving. The circuit breaker estimate is based on the prior year's actual circuit breaker as well as what we think will happen with assessed values. Our working

general fund levy is approximately \$3.4 million. Miscellaneous revenues, I have that increasing about \$5 million or 9.6%.

I'm going to flip just to Kenny's point. I have in your packet as well. I know it's hard to see on the screen because it's so small. You can see in this document on the miscellaneous revenues that I have presented up at the top section here where I have my cursor, you have LIT certified shares, LIT public safety. I have those increasing by 3%. I don't know what will happen with those. We have two main factors. One, because the supplemental distribution that they gave I don't anticipate that happening again.

The other piece, the new fire districts. Creation of three plus Southwest is potentially doubling their levy or their budget. The fire districts will get a piece of our lit distribution certified shares. The bigger that \$21 million figure you see right there, the fire districts will take a piece of that. They weren't previously getting anywhere near what they may be able to get. We don't know what that will be for another month or two. I can't accurately comment on or put it.

These estimates could sway by 600, 700, and \$800,000 just depending on what our actual LIT revenue will be. Then secondly, how much will be allocated to the fire districts that previously was not. Because the LIT-certified shares, the biggest pieces go to the city of Fort Wayne and then the county. If four, three new groups, three and a half new groups come and ask for a portion of that or are able to get a portion of that, it's going to take from the city of Fort Wayne and the county, bigger pieces of the-

**Tom:** When will we have a better understanding of that number?

**Nick:** In August we will get certified the high-level estimates of what the total LIT revenue will look like. For example, \$180 million comes into the county. In August we'll see that figure. I'll be able to plug that in, but I don't know, I asked the DLGF when we would know what the levies and budgets that they're approving. Because if you're a new unit, you have to ask by 630 of a year to the DLGF your budget and levy.

I asked the DLGF when we would know they didn't respond. I don't know when we'll know what the fire district's budget and levies will be. You guys set those later. It is just they have to ask the DLGF as a new unit. When you look at miscellaneous revenue those are two obviously big-ticket items will make a big difference. To Kenny's point, all the way down here in the bottom section, you can see that where my cursor is again, it's hard to see on the screen.

Kenny, I have bumped up interest revenue to \$5 million or \$3 million increase. You'll also see two other bigger ones. Department of Planning and building department, I have also bumped those up closer to the five-year average as well as there doesn't appear to be any signs of slowing down. Even with interest rates rising and prices higher, the investment is still happening. If it slows down in residential, we still see.

As you saw today with economic development in a corporation General Motors last month, those permits may go up. That's what the planning and building pieces of it may be. Those are other large items. Youth Services Center receives a per diem. Chris Dunn running the Youth Services Center has done a phenomenal job in a decade from getting the per diem around \$150 to almost \$800 of what it is today. They're almost self-sufficient and that is why you see that-

**Tom:** Individual, 800--

**Robert:** Per day.

**Tom:** Per day per individual?

**Robert:** Yes.

**Nick:** They use a utilization rate, so yes. They used to be a 70%, 30% split. We're 70% property tax, 30% per diem. They're literally almost covering 90% to 100% because of how they've gotten their per diem up over the last decade.

**Ken:** Hope that continues.

**Nick:** Each year they do a cost report and that sets the unit that rate that we're able to seek reimbursement for. If you look in your financials, they're way ahead of where we anticipated because utilization remains high. I think he has a cap of 22 to 25 people. It's not significant. It's just keeping that utilization high along with a higher reimbursement has driven up the revenue we receive or per diem we receive-- it's reimbursement. It's not really new revenue.

Then you can see the other items in the list. If you want to talk-- I can change any of these if anybody thinks they're wrong. As the time goes on we'll fine-tune these as we get better information. We're back to the summary part of it. I've increased that 9.6% as we are now. Then into this grid section here, we start with where we were where we are in 2023 with \$130 million budget. God bless you.

**Don:** Bless you.

**Josh:** Thank you.

**Nick:** We take off, again mental health and arc because we're taking it off on the revenue side. It's a pass-through. I back off the County Council capital because if you guys don't want to allocate that again and say, "Hey, no, use our Cum Cap Fund or use--" No, we're not going to do that. We don't have to budget that. We put in the step increases that are tied to longevity. The sheriff's pension, I have to increase that because of what the actuary says as well as if they're not serving as many papers.

We get revenue for service of process. If they're not serving as many notices then the general fund has to cover that. The big increase here is because of market performance in 2022 drives up the amount we have to contribute because investment returns weren't as good as they were in 2021, but they've bounced back now in 2023. That should go down hopefully for our 25 year. Group Health Insurance, I've had to bump that up a million dollars. I am going to come back more than likely this fall to ask for a supplement of another million and a half.

Because of the experience we had in December of 2022, we were approximately \$2 million higher than we had budgeted for the year, and it was really in the later part of the year when people had their deductibles. In order to replenish that fund balance, I'm going to ask for a supplement towards the end of this year, and that will allow us only to bump up a recurring budget by this million dollars. The alternative is we have to bump up the recurring budget two and a half million and that constantly fluctuates and it's not really the best practice to go.

**Tom:** Do you recall what that was last year? That million-dollar Group Health amount, did we do a million-?

**Nick:** How much do we budget?

**Tom:** Yes.

**Nick:** 10 and a half. The general fund can-

**Tom:** You're moving it to eleven and point five.

**Nick:** 11 and a half. Yes.

**Tom:** All right, very good.

**Nick:** The general fund contributed ten and a half. The other funds potentially this year around they'll contribute around three million.

**Tom:** Got it. Okay.

**Nick:** Then the next section here on this grid, we have increases due to operational adjustments. Election board next year they'll need approximately \$300,000. This year you approve superior courts, alcohol countermeasures program, individuals early this year to come back to the general fund. That's a \$600,000 increase. Around \$2 million will be for the first state phase of comp study changes and then increases due to salary reclassification additions.

Those would be if you think confinement officers. The surveyors had a couple positions. Those are things that have those new positions, and along with the superior court additions are around the \$1.2 million with those two lines. When we get down here into the bold black figures that results in a budget of approximately \$131,000,000.6, the 132 t the top, minus the 131, you get to approximately 748 in the positive.

Down here I have two and a half million for rollover. You may say that looks conservative. The thing being, I just noted you've approved approximately \$2 million of comp study changes. I have not come to council at all to ask for any additional appropriations this year. I don't plan to unless departments are literally out of money. If they're not out of money, they're using what would've been rollover. What we would've seen, maybe three and a half, four, it just depends.

Because you got to look at the rollover and see what-- we've had coliseum and then years passed and that's a big chunk. I anticipate departments using the rollover to fund the \$2 million of comp study changes, and that will drive down potentially what our actual rollover will be. As we get closer to the end of the year, I may be able to say, "Hey, that should be two and a half, three million, but we have to find \$2 million to fund the first phase. The second phase was granted today, and then if we do anything in addition to that, that's additional monies on top of that."

**Ken:** Nick, if we ask them to stay at their 2023 budget for 2024, and they wind up using almost all their funds, which includes the pay increases in that. Then we should be okay because they're using their-

**Nick:** Yes. If they're going to use-- it just drives down-- let's say sheriff had 600,000 rollover. If they're going to use that 300, 400 to cover those pay increases, then we can't factor as much rollover in unspent monies because we're going to use that.

**Ken:** Which is what we're looking for.

**Nick:** You want people to use the rollover. Yes.

**Tom:** Then, at that case, the rollover estimate would drop.

**Nick:** I'm hoping two and a half save. We've been in the four to five, \$7 million region. Again, you got to take out some outliers, but I would hope two and a half million is still a safe estimate to use there. We'll find out as time goes on. Again, I will tweak it as we get better information as we see each month that goes by if that figure should be lower. We'll get there in a second, just the 100 series. Again, I threw the 500 capital back in, assuming that's what you guys want to do. If you don't want to do that, we simply strike it.

Then I put in a figure to show you what 3% of COLA or cost of living arrays looks like. That would leave you with today, around \$182,000 for appeals. Just to touch on the rollover piece because, in your packet, you do see five years of 100 series rollover by department. 22, the most recent year, was \$4.6 million. If I back off the \$685,000 from the coliseum because that's an outlier, it shouldn't be in there, we have \$4 million.

If \$1.5 million is covered, say we take that off because of the need for the comp study changes, we potentially get to the \$3 million. We can take another \$500,000 off, so you're at \$2 million. The two to two and a half million, we may have to bring that down a little bit. It just depends on how turnover, open positions, things in that regard look like.

I can take any questions you have. I'm not going to go into the other pages in here unless you want to.

What we are at the very least like to have is if you want us to tell departments work within your 23 allocation, and the 23 allocation includes those bumps we have done for the compensation increases with the exception. Since you have not approved funding for the court-ordered positions, we are not giving them funding for the court-ordered positions from the first phase. You have to approve that because right now that doesn't align with what your compensation grid.

**Tom:** What's that number, do you know?

**Nick:** I think it was around 200 to \$250,000, I believe, but that all is subject to turnover also. If you have somebody that's more tenure and they leave--

**Tom:** We're going to be able to have further discussions about that and how we handle that.

**Nick:** If they don't appeal, meaning Superior Court because I would say somebody like ACJC, they're going to be able to fund it. They've had a lot of rollover in many years, but if they don't appeal there is no discussion. They can fund it within their budget. You will if you give a raise. The judge had ordered those positions be tied to a classification, not a salary classification, so your raise will give them a raise. It's just we're not passing along any additional funding with it until council approves the funding piece because you haven't made your grid or those positions align on your salary ordinance.

**Tom:** There are more discussions to be had on that, to say the least, I think, right?

**Nick:** Yes.

**Ken:** We didn't spend any of our capital fund this year. Did we have the 500-- didn't we take it out?

**Nick:** No, you've spent some. People have come and asked for vehicles and so forth, but you still-- I think I don't have that. Our finances--

**Ken:** Why don't we just take it out of the Rainy Day Fund? I don't know why we have it--

**Nick:** I wouldn't recommend it. What I would recommend if you're going to do that, we have the discussions with the committee. You tax in our levy a Cum Cap for capital type expenditure. If you don't want to pay for it out of the general fund, then I think we have the discussion with the commissioners on can we allocate \$500,000 in the Cum Cap Fund instead of the general fund. It just depends. If we don't need to do that, then you can-- or you can say, "Hey, we're not budgeting anything. Come back next year, and we'll revisit the capital expenses as the desire." They give us that information. It just sometimes they don't come to fruition. A lot of times they don't. They're projecting out three to five years.

**Tom:** For today, the need from your perspective is to understand what kind of a percentage increase we would be entertaining.

**Nick:** If you want to do that today, we'd love to have it. It helps the process be more efficient. If you don't do that, fine. We just need to know, at the very least, for us to say, "Council says work within your 23 allocation or your 23 allocation plus a 3% raise was granted."

**Ken:** My opinion, for what it's worth, stay within your 2023 budget, but let's look at more than a 3% pay increase. What's the actual cost of living, do we know? It's over 3% still.

**Nick:** If you choose Midwest, maybe 5%.

**Ken:** There you go. That's a good number. [laughter]

**Robert:** Thank you, Nick.

**Josh:** Is that his request?

**Tom:** I appreciate that.

**Ken:** I should put it single digits this year.

**Robert:** I'll second that.

**Ken:** Anyway, appreciate that.

**Ken:** You know what? I'm holding back. I'm keeping it in single digits.

**Nick:** Until we get LIT figures, I'm not going to make a recommendation.

**Tom:** 3% had been figured, not only from your standpoint, but it was figured into the comp study from the standpoint of if that 3% would be adopted, it would take care of a lot of the concern.

**Nick:** The red circle or whatever the-

**Tom:** Yes, right. That 3% threshold would actually resolve that problem-

**Nick:** For the majority, I believe.

**Tom:** -for the majority of the county employees.

**Nick:** That's why that's in there just because it was discussed during your guys' comp study phase one process. We don't need to know that today. If you don't want to take an action on it, we can wait.

**Ken:** I'm showing each percentage of pay increases about \$855,000 to the budget.

**Nick:** Yes. 800 would be \$2.4 million, and so, yes, it's just a little more than that.

**Ken:** You're right. 6% might be even better than the 5%.

**Nick:** That's up to you, guys. We don't need it today.

**Ken:** It would be nice to-- I think we should try to have them remain within their budget. If we're going to do anything to increase anything, it should be for the wages instead of buying more pencils and papers.

**Nick:** If the inflation is the touchy piece, you can always do what we did in 22. You can give an inflation bonus, which doesn't carry forward, and just do a smaller percentage rate. I'm just saying there's different routes you can go if that's something that's--

**Tom:** A one-time thing?

**Nick:** Yes, that's what you did in inflation bonus and it costs around-- at that point in time it was, I think, a 2% bonus, 2.2, I can't remember. You gave a raise and then you gave an inflation bonus on top of it. You know what 1% looks like. To Kenny's point, use \$850,000. That was a rough estimate, then what you want to do from there.

**Tom:** Again, from-

**Nick:** Sorry to interrupt, just so I get it out before. These figures do not take into consideration. Aside from any raise granted, you have taken no action on sworn officers, probation officers, the prosecutor's office, the public defenders, and then elected officials if you chose to do so. The sheriff's department alone, obviously, having as many employee share of sworn officers is a big jump depending on percentage rates given.

Then no action has been taken. If you gave 3% that at least gives them 3%, and then if you chose to do anything different. As Chief Deputy Grant mentioned last time, for those that are aware, the state increased theirs, and then the city of Fort Wayne after their probationary year they're about \$4 to \$5,000 higher than our non-probationary officer.

**Ken:** The city has been smart and has guaranteed pay raises for the next several years.

**Nick:** Their three-year contract was 5% increases. I can't remember if next year is year three of it or year two of it, but yes.

**Ken:** I can tell you that a bunch of city officers are thinking about going to state because I think the state now may be the highest-paid police agency. I know they're the highest paid in the state.

**Nick:** The state start at \$70,000. In the city year two, so after probation there's 72. A city officer contributes 6% to their pension. A county officer contributes 3%. I don't know what the state officer does. Those things also need to be taken into consideration when you're leveling out compensation. These estimates aside from the 3% increase I have nothing in there for anything additional for you probe or sworn officers or elected officials if you do that.

**Tom:** With that, officially, is there a recommendation for-- by the way, we're not voting on the pay increase. We're voting on a guidance to give to the auditor. It would still come back to us that still would have to-

**Nick:** If you don't want to vote on a pay increase today, don't give any guidance. Just say stick within 23 allocation or whatever you'd like to do there because it just sends mixed messages. It can be discussed later, the pay increase.

**Tom:** As early as next month in August.

**Nick:** Yes, we won't bring anything back, particularly for the budget. We're not planning to, but we definitely can if council would like to.

**Kyle:** The pay increases, you just plug in a number and--

**Nick:** Yes. It just helps for the efficiency of putting everything together. We can say, hey, when you're submitting this add 3% instead. When they come back to us then we have to add all that in. Because by the time you meet next meeting, the departments will have to have their information back to us one day later, I believe. Many of the budgets will already be back to us by next meeting.

**Ken:** Nick, you know full well that within the next 10 minutes, all the county employees are going to know what we talked about for pay raises.

**Nick:** Some do. You don't get that much viewers [unintelligible 00:30:47].

**Ken:** No, no. [laughter] It only takes one of them.

**Nick:** You'd be surprised. We got a lot of disconnected employees. [laughter]

**Tom:** All right, council, what's the pleasure of council at this point? You want to wait till the month of August to have that further discussion?

**Ken:** I'd say we try to keep them within their 2023 budget. It's the direction we should send them in.



**Kyle:** I agree with that for now.

**Nick:** That's what we'll tell departments work within their 23 allocation.

**Ken:** Yes.

**Nick:** Raises subject of further discussion.

**Ken:** Right. Because we're working towards trying to get the money to the employees instead of the paperclips.

**Nick:** Like I said, we can work with the raise discussion at a later date.

**Ken:** Great.

**Nick:** Thank you.

**Tom:** All right, thank you, Nick, very much. All right, council, any recent or upcoming meetings or liaison reports at this time? Hearing none, let's see, would someone like to move for the approval of the waiving process?

**Josh:** I'll gladly handle that.

**Tom:** Okay, good.

**Josh:** Requesting the approval to waive the second reading on any matter approved today for which it may be deemed necessary for the County Council meeting of today, July 20th, 2023.

**Tom:** A motion, and a second.

**Robert:** Second.

**Tom:** A second. All in favor say, aye.

**Council:** Aye.

**Tom:** Aye, that does pass 6-0-1(Lagemann). The next County Council regular meeting will be held at 8 30 on Thursday, August 17th, 2023. In the chambers room of Citizens Square. We have a motion to adjourn.

**Don:** So moved.

**Robert:** Second.

**Tom:** We are adjourned. Thank you.

**Ken:** You guys are fast.