

ALLEN COUNTY COUNCIL MEETING MINUTES
FEBRUARY 16, 2017
8:30 AM

The Allen County Council met on Thursday, February 16, 2017 at 8:30 am in the Discussion Room at Citizens Square. The purpose of the meeting was for additional appropriations, transfer of funds in excess of the current budget, grants and any other business to come before Council.

Attending: Robert A. Armstrong, Joel M. Benz, Larry L. Brown, Justin T. Busch, Tom A. Harris, Eric M. Tippmann and Sharon L. Tucker.

Also Attending: Nick Jordan, Allen County Auditor; Jackie Scheuman, Budget and Finance Director and Becky Butler, Administrative Assistant.

The meeting was called to order by President Larry Brown with the Pledge of Allegiance and a moment of silent prayer.

Larry Brown: Good morning everyone. I want to start out offering Council's condolences to Sgt. Cox and his family. As we proceed, please keep him and the family and the First Responders in your thoughts and prayers. We will start out with the approval of the January 19th meeting minutes. Are there any additions or corrections?

Joel Benz: Move to approve the minutes from January 19, 2017.

Justin Busch: Second.

Larry Brown: All in favor signify by saying aye, opposed, same sign. The motion passes 7-0. Next is the financial report.

Nick Jordan: Good morning, Council.

Larry Brown: Congratulations, Mr. Auditor.

Nick Jordan: Thank you. As you can see in the packet, we don't have much to report for 2017 yet. We are only one month of miscellaneous revenue under our belts and tracking right about 8.5%. One thing I want to point out is if you get a constituent calling about the wheel tax/surplus, give them my number. I am working with the City and they are working with the BMV. The BMV, it has been a problem on their end. The City and I have tried to do what we can but there wasn't really a standard operating procedure at the BMV from branch to branch and we have some County constituents that are getting charged the City Wheel Tax and even if they say no, it has been a problem. We just heard back from the BMV last week for the first time and so feel free to give them my number and I will explain what will happen going forward.

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Tom Harris: Nick, I can elaborate. I had received a phone call that a constituent was concerned that they were always able to purchase online and yet they were requiring them to come to the location. That was because they couldn't figure out if they were in the City limits or out of the City limits and so they had to come down and figure that out. Thank you, Nick, for handling that as well as the Auditor's staff.

Larry Brown: There are a lot of people that have a Fort Wayne address that are not inside the City limits.

Nick Jordan: And what seems to be the issue is right around the boundary of the City limits, literally in a block or two that they have almost forced that you are in the City. We have gotten the calls and we have checked and they are not. The BMV is putting a procedure in place with some software and hopefully in the next two months it will be corrected. For those that have already registered or been issued their plates, they will get a refund or credit going forward.

Tom Harris: Okay.

Larry Brown: Thank you. Are there any questions on the financial report? Do I hear a motion?

Tom Harris: Move for approval of the financial report.

Joel Benz: I can second that.

Larry Brown: **All in favor signify by saying aye, opposed, same sign. The motion passes 7-0.** Today we have appropriations in the General Fund in the amount of \$250,000 and in Other Funds, \$410,024. At this time, we are changing our procedure slightly. We open it up for public comments before we get into our agenda. Are there any public comments or does anyone want to bring anything to our attention? I see none so we are going to proceed. Next on the agenda is our Board Appointment to the Alcohol Beverage Commission, Ozzie Mitson.

Ozzie Mitson: Good morning, Ozzie Mitson, thank you Mr. President. I am starting my fifth year as your appointment to the Alcohol Beverage Commission. It is an honor to be here today. I emailed a short presentation to you and we will run through what the ABC does. It starts off with the creation of the Alcohol Board. We meet the second and fourth Mondays of each month, 9:30 a.m. in this room to hear renewals, renewals with violations and transfers of licenses. It is open to the public. I am actually a part-time State employee as your appointee on this Board. The Board is comprised of one appointee from this Council, one from the Commissioners, one from the Mayor's Office and an Excise Officer.

Larry Brown: So there are four?

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Ozzie Mitson: Correct. The President runs the meetings, signs the forms and I currently serve as the President of the Board and have for about a year and a half now. The Excise Officer is in charge of all of the investigations and doing prior approvals looking at floor plans of permit locations prior to the meeting. By the time they get to the meeting, everything has been approved and we can vote on the merits. Remonstrators are allowed to attend the meetings and voice their opinion and it has happened on a few occasions. The process is the applicant speaks first then the remonstrators and then the applicant again. We have to have a quorum of at least three members. Oftentimes, folks will not show up on the day that their permit is to be heard and we will often continue that and they tend to show up the second time. There are only three ways that we can vote. We can vote to approve a full two-year renewal. We can recommend a one-year renewal so that they have to come back the following year. If they have had a couple of violations, we can make sure that they don't do it again. We can recommend to not approve the license which is what we did with Sports and Spirits a few years back. The reasons for denial are spelled out here and these are the only reasons we can have for denial. These are spelled out in statute. The same thing is for the next slide. To show you where the local Board fits into the process, we are the beginning of the process and our vote is a recommendation to the State Board. The State takes action and there are various appeals spelled out in the process. The last slide shows the very beginning of the process. Again, our vote is just a recommendation to the State.

Larry Brown: Very good, thank you. Council, are there any questions?

Sharon Tucker: So like in the case of Sports and Spirits, we recommended that they not have their license renewed and then the State had to decide whether or not.

Ozzie Mitson: The State agreed with us and then Sports and Spirits went through the appeals process. They were again denied. Excise went in and took their license and the following day they filed a motion with Allen County Superior Court who issued a stay and we had to give the license back. As the appeals process was going through, there was another incident and Sports and Spirits decided to turn in their license.

Sharon Tucker: Would another business be able to open the same type under a different name and in that location?

Ozzie Mitson: Yes. They would have to purchase that license from the State.

Larry Brown: Bob.

Bob Armstrong: How many licenses are there in Allen County?

Ozzie Mitson: I don't have a rough number but it is based on population.

Tom Harris: Your biggest challenge, what is the biggest one this last year? What are you anticipating this year?

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Ozzie Mitson: I would say that 99% of the permit holders want to follow the law and do the right thing. The way that the law is written, they are kind of tricky but there are a couple of folks that are trying to skirt the law and the biggest challenge is to pin them down on that. Those are typically the one-year renewals that we want to see every year.

Justin Busch: If I may, I was the Commissioners' appointment for two years and served on ABC as well. I want to thank President Mitson for his service and I think he has represented this Board well with distinction and is an asset to the County for the last couple of years.

Larry Brown: Thank you, Ozzie. Are there any other questions for Ozzie? Thank you very much.

Sharon Tucker: That is good information.

Larry Brown: Yes it is. Next on the agenda is the annual report from the Redevelopment Commission.

Elissa McGauley: Elissa McGauley, Department of Planning Services, Director of Redevelopment.

Rich Beck: Rich Beck, President of the Allen County Redevelopment Commission.

Elissa McGauley: Thank you for letting us take some time with you this morning to discuss the work of our Allen County Redevelopment Commission. I forwarded the Commission's annual report to Becky to include in your meeting packets. I have a few copies of the printed report if you need them. This report is going to be posted to the Department of Planning Services website. We have a few webpages within that website and will post it. We also plan to distribute via email to the other Elected Officials and State Legislators, School Representatives and local Economic Development partners. As you know, I came on as the Director of Redevelopment about nine months ago. A lot of what is going to be discussed here was already in the works before I started. I am really going to let Rich take over the majority of this presentation and I will fill in when I can.

Rich Beck: Thank you. Good morning, Council, and thank you for your time. Just a refresher of what we have been doing since 2008 and that is when we embarked upon the Land Banking. This body granted about \$4.8 million to the Redevelopment Commission to engage in the Land Banking. As a result of that we took our fiduciary responsibilities of spending taxpayer dollars very seriously. We started acquiring land, as you recall. The idea by owning the land is that it is important that you control ownership of that land because if someone comes to the City or County looking to land there and you aren't controlling the price, all of a sudden someone finds out and it kind of elevates. If we control the price of the land, we can attract more of those businesses. We went through a series of purchases out in the Northeast where we bought the Bandalier property and the land swap with SDI. We then purchased land on Bluffton Road and the ending result was General Mills. We also have Trinity Health or logistics company XPO in there and

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Walmart is moving in on the Bluffton Road segment. Simultaneously we purchased land across from General Motors, about 200 acres. That was the big business park, Stonebridge. As we cut the ribbon on that in August of 2014, we had an offer to purchase from a development company in Kansas City. They purchased forty acres and essentially the \$2 million that paid for that covered our acquisition cost. We had gone back to the Commissioners and asked for some money to build the infrastructure because the infrastructure is key when you are trying to attract businesses to the community. They are not going to come here and buy dirt. You can buy dirt anywhere. We had put the infrastructure in place and it worked out very well for us. We have had additional sale of some of that property to the developer and brought back another million dollars towards the \$4.5 million in infrastructure. All along, taxpayers have not taken a loss on any of this. We are not in this to make money but are in this to create an environment where businesses want to bring jobs. Government can't create jobs but businesses will come here if your environment is conducive to doing that. That is what we really are all about. We tend to be very good stewards of the land. If it is not in play, meaning that we are not entertaining someone to buy the land, we are farming the land and we lease it out. Again, not to make money off of it but the land will deteriorate if it just sits there and so you have to be good stewards of your land. We currently are sitting on 60 acres in Stonebridge. We had two tracts that came back to us last year because the option that NorthPoint had on those, they let the options expire. We have roughly 22 acres behind XPO Logistics on Bluffton Road. That is what we are down to. Our capital fund is setting at about \$5.4 million and we started with \$4.8 million. We are in the acquisition mode and are looking at land around the County. We are having conversations on the southwest out by the General Motors plant. We are looking along Adams Center Road and northeast off the Ryan Road area. We have replenished the seed funds which are what that \$4.8 million really represented and we never intended to come back to Council asking for more money. We wanted that as seed money and now we have that and now we are back into that mode. Elissa, do you want to give them any granularity?

Elissa McGauley: Not really. A lot of this is stuff Council already sees and other things that we did during the year we brought before this Board was a \$2 million bond to fund improvements. We developed two TIF Districts last year, Brookwood Allocation Area and Bluffton Road East. That is at the southeast corner of Ferguson and Bluffton Roads. We also did one called Jackson EDA and that is one that is off Airport Expressway. That was established back in 2001 and we hadn't been collecting increment since 2012. We have been meeting with some of the newly Elected Officials to this body and I have been going around to the Cities and Towns that we serve in Allen County. We have a service agreement with those to provide economic development services as needed. Meetings with Woodburn, New Haven, Huntertown and Grabill et cetera. Since coming from the City, I am very familiar with my counterparts upstairs. Nancy Townsend became the new Redevelopment Director last year, as well. We are fairly new to our positions but we talk regularly. We had lunch with his counterpart with the City Redevelopment Commission and we are going to continue that communication because we do have some commonalities there. We have areas of redevelopment and economic development that butt up against each other and are looking at opportunities where we can collaborate as much as possible. We updated our webpages last year to make sure that we are posting

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our agendas and meeting minutes and all of the annual reports that we have done over the years. Back in 2015, Scott Harrold put together an excellent overview of all of the TIF Districts that we had at the time and a history of those. We also monitor what is going on at the State House. TIF has been a hot topic over the last several years and this year we have about two bills that are really active and are running through the General Assembly at this point in time. We have the help of Beth Lock and our own professional organizations that we belong to that have their own lobbying staff so that Indiana Economic Development Association and we are members of the Redevelopment Association of Indiana and we get those bill tracking services as part of our memberships.

Rich Beck: I think one of the keys that we are trying to do is that we are distributing our annual report out and education. Educating the Legislature that we can do it and it can be done and there are problem areas around the State where there is abuse clearly taking place with the TIF Districts. That is happening up here. A lot of these bills are really representative of isolated situations that are occurring and they are trying to deal with it through legislation. When you do that there is a negative impact on the rest of us. It makes our jobs a little more difficult to do. I would also like to comment that Elissa did come on about nine months ago and she has been a great add to the program. We had no downtime and she walked in the door and took off. She has been a great addition to the program and we are tickled that she decided to switch over and come to the County and work for us.

Elissa McGauley: Thank you.

Rich Beck: We will entertain any questions that Council might have.

Tom Harris: I can maybe start out. One of the things that we try to look at is to balance the County a little bit and make sure there are things going on in the east side as well as the southwest. It seems like a lot of emphasis as well as results have happened on the southwest side. Maybe some comments or thoughts on trying to do something to the east side as well as the philosophy that this process is best when the economy and things are not moving and now that they are moving, some of the critique that we have had a few years back, should you be competing with the private sector in trying to purchase land and the private sector is moving full tilt right now.

Rich Beck: First of all we do and are in the process of looking at other segments of the County. Adams Center Road is a target for us. What is happening out there, hopefully, is the intermodal. This is the case of where if the intermodal gets approved and in there, we see that as becoming a catalyst from the private sector because that is going to draw other businesses in that area. We want to be a catalyst and not a land baron. We want to buy, upgrade and move on and not compete in the private sector. When we started in 2008 and 2009, there were some upset folks with us but as you recall, a lot of those folks were struggling to survive back then. It was to the point where we needed to do something and so the County took steps to do that. Those folks are now partnering with us. They are asking how they can partner with us and how can we come together with the public-private partnership and do some of these projects. We welcome that and we are working

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with them to the extent that we can. I think we have a good relationship with those folks. We still consider ourselves as trying to be a catalyst and any acquisitions that we make have to be strategic. You have to do your due diligence in looking at a parcel of land that really has the possibility of development. The old real estate adage of location, location, location is everything and continues to be. You have to be at the right spot and things have to be in order as they were with Stonebridge. When you look at all of the factors around Stonebridge, it was a makes sense situation. That is what we are trying to emulate again. It worked at Stonebridge because you have a private developer now who has Stonebridge 2 and Stonebridge 3. We can be that catalyst and we can pull back out. We have no intention of competing with them because once we buy that parcel and upgrade it then it is available for them to sell and for them to develop on it. We are taking the sting out of it upfront and letting them come in after that.

Elissa McGauley: And as Rich has mentioned, we don't operate in a silo. We reach out to our economic development partners when we are exploring other sites. We are talking to the Greater Fort Wayne folks and the Northeast Regional Partnership folks and other developers that are doing this and seeing and knowing where we should go. One of the projects that Rich forgot to mention the land swap with the Bandalier property, 52 acres at Edgerton and Ryan Roads and that was closed on in January. Their hope is to expand their operations here in New Haven with a bigger facility. Mayor McDonald has indicated his interest in Casad and is just to the east of that site.

Tom Harris: Are your balances replenished for the land acquisition so that you are not going to be requesting additional funds from the County?

Rich Beck: No, we are fine. We look at it as a partnership and we can't do it alone. It takes the Council and the Commissioners to make these things happen. Essentially, when an opportunity arises, our decision is do we like the purchase price or not. After that it falls into your hands and the Commissioners' hands to make it happen. It is a partnership and so far it has worked very well.

Larry Brown: Council, are there any other questions? Rich, thank you for all that you do. You put a lot of time and effort into this, I know you do. We appreciate it.

Rich Beck: I enjoy it. Thank you.

Elissa McGauley: I will add that I am sincerely blessed with the composition of the commission and their years of experience. I am glad that they continue to serve.

Larry Brown: Thank you. Next on the agenda is the 2015/2016 Tax Phase-In Report.

Elissa McGauley: Before Rachel settles in, I thank you again for the time that we are taking out of your agenda today. This is one of the programs that we administer on your behalf. I had the same role in my previous job. I administered the Property Tax Abatement program for the City for almost 18 years. I am very familiar with it and have a long history and the changes that have occurred through State legislation and policies that

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have been developed over the years. We bring forth the applications to you that are in the unincorporated areas of the County. We also have agreements to work with New Haven, Grabill, Huntertown, Monroeville and Woodburn when they receive applications. Rachel is fairly new to the job but she is doing an excellent job. I will let her take over and talk about the annual report she puts together.

Rachel Black: Rachel Black with the Department of Planning Services. Each year, we compile information about the companies that were granted Tax Abatements. Within that report there is a short summary of each of the companies and their investment that they have created. There is also data showing the tax savings for those companies. There is also a breakdown of employment and an analysis of compliance for the Statement of Benefits as well as an overview of the Tax Abatement Development Fund. I am going to go through a little short summary of each of those areas of detail and then if you have any questions, please feel free to ask. Within the two years of 2015 and 2016, we had nine companies that came before Council, whether it was this Council or one of our Cities and Towns. Five of them came before you. We had two in New Haven, one in Huntertown and one in Grabill. The investment for both real and personal property in 2015 was a little over \$30 million. Last year we had quite an increase in investment of a little over \$302 million. We had four large investors over those two years. As Rich stated earlier we had XPO Logistics, Walmart or Blue Kingfisher, NP Fort Wayne and Goodrich Tire Manufacturing. Together, those four were \$300 million. In terms of employment and job creation and retention, most of the companies were adding jobs with a total projection for both years at 551 jobs being created. As far as retention, there were 2,182 jobs with the largest of that being the employer BF Goodrich with 1,600 jobs retained. As far as compliance goes, Elissa and I are planning on meeting with businesses to go over their required paperwork that needs to be filed. We are hoping that we can continue to create good relationships with these companies as well as help them further understand the process and help them meet the deadlines so that we don't have to bring them before you to ask for waivers of non-compliance. As you can see in this report, the majority of these companies met the requirements of compliance with investment, jobs and salaries and most of them exceeding the 100%. Lastly, the development fund had a balance December of last year was \$515,000. Companies contributed in 2015, \$66,977 and in 2016, \$51,427. The last time we have seen any expenditure out of this fund was in 2013 and was for expenses related to Stonebridge. It is a voluntary contribution by the companies and of the nine companies three said that they would contribute. In other business, I guess, I have been working on scanning our tax phase-in projects into our Application Extender Document Manager. This allows staff to locate information quickly as well as share documents with other departments if needed. It is not something that is open to the public. Along with this task, I have also been adding projects to the GIS creating a layer so that we can look at data based on where the tax abatements took place. I also updated the application and we rolled that out in January and so it has a little bit of a new look to it. Hopefully it will be a little easier for the applicant to fill out.

Larry Brown: Council, are there any questions?

Tom Harris: I will ask that in terms of the last fund that you spoke of...

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Rachel Black: Tax Abatement Development Fund?

Tom Harris: Thank you. In other words, some of those corporations chose to give something back to that. What are some of the things you use that fund for?

Elissa McGauley: We have used it in various ways when the Land Banking program was started. As Rachel had mentioned, the most recent use of it was for Stonebridge infrastructure. It is mostly to fund infrastructure projects.

Tom Harris: Say the balance again.

Rachel Black: \$515,000.

Tom Harris: So those are funds that are available for future economic development should you need them.

Rachel Black: Yes.

Tom Harris: One of the challenges that we have continually talked about is those average wages. We are showing that those have come up a little bit with some of the newer companies coming in. Now becomes the challenge, right? We are going to try to get those wages up while the rest of the country has wages going up, right? Are there any thoughts in a broader perspective? A couple of years ago you were compared to air traffic controllers and the plane was circling with opportunities and you just had to figure out which ones to bring in. What is the feel right now? How is it going in terms of new projects coming at you and Allen County?

Elissa McGauley: I would say that we probably have, in a holding pattern, four different projects that have yet to be announced. We are working in cooperation with Greater Fort Wayne on competitive projects that would involve the Indiana Economic Development Corporation. Business is good and real active. On the redevelopment side of getting back out there and seeing if there is an opportunity for us to build our land supply back up. On the economic development side, it is just making sure that we provide the service to those companies once they do want to come here. We need to process their applications and get them in front of you. Over the years we have made tweaks to the City's and the County's policies in regards to property tax abatement and if that is something that needs to be done, we have obviously worked with you in the past and will continue to work with you.

Tom Harris: And the wages, we are making some improvements there and making that happen.

Elissa McGauley: We are seeing that with the applicants and yes the average wages are going up.

Larry Brown: Sharon.

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Sharon Tucker: Rachel, you mentioned that you guys are going back out to the companies that we have approved to help make sure that they are in compliance?

Rachel Black: This spring they will have to file their paperwork by the May first deadline and we are hoping to get out there in the next couple of months to make sure that they have available what they need to get the paperwork in on time or have any questions and to check in to see how things are going. It is something that I believe Elissa had done before and found that it worked really well. I think it is another way to build a relationship with these companies.

Sharon Tucker: So that is new to the County?

Elissa McGauley: It is one of the things that we wanted to try out. I felt that over the years some of the companies have changed people that are responsible for filing the paperwork. They will get something dropped in their lap and they won't know how to fill out this form and this is our attempt to get to those companies that are still required to file the paperwork. We will also go to the companies that are new to the process to orient them as to what is required and how to file the paperwork. We want to put a face to the name obviously helps. And we will just touch base with them to see how they are doing.

Larry Brown: Smoother process.

Elissa McGauley: We shouldn't have to bring any waivers down to you.

Larry Brown: I know it is difficult on them but it is equally difficult for us to make a judgement or decision negatively towards because someone didn't know about the paperwork. I applaud you for your efforts.

Sharon Tucker: I do too.

Larry Brown: I think it is a great outreach. Council, are there any further questions? Thank you very much. Next on the agenda is the Sheriff's Department. There are some situations that are requiring their attention right now but I believe before any of that happened it was decided that between staff and Council liaison that would handle this. Tom and Justin and maybe Nick, do you...

Tom Harris: I can at least kick it off. I had the opportunity to talk to the Sheriff and his leadership team in regards to this. It basically is that we had passed this money for the K9 facility and they had not broken ground yet and not spent it so it went back to the General Fund. We basically have to appropriate it back into that account.

Nick Jordan: The County has a policy at the end of the year that if you don't have a purchase order or invoice or something to encumber these funds, they are going to roll back into the General Fund. This is no new money at all. It is the same \$250,000 that was appropriated last year and it is because the project hasn't started. If you recall, it was

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\$250,000 from Council, \$250,000 from the Commissioners and the Sheriff was going to try to pitch in from the Federal Asset Seizure Fund of Commissary and then try to get a private investment. That private is the one he has been working on.

Tom Harris: By way of an update, they plan to break ground in 2017. The Commissioners have decided to go in on it as well and they are working with some private donations. All systems are go and they are looking forward to this improvement this year as they fine tune the plans.

Larry Brown: I will share that from the construction community there is an effort going on to take out some of the frills, if you will, out of the design to get it more palatable perhaps.

Tom Harris: That is what I meant by fine tune.

Nick Jordan: Not to forget that the City is doing an in-kind contribution of approximately \$165,000 for the utilities. Procedurally, the first one is coming out of the General Fund and reducing your capital line and appropriating into the Sheriff's line and then do the next one separately since it is coming out of another fund. Tom Do you want to make a motion?

Tom Harris: Yes, sure. Move for approval of the reduction in Council General Fund in the amount of \$250,000 and appropriation in the Sheriff's General Fund in the amount of \$250,000.

Joel Benz: I will second that.

Larry Brown: Is there any further questions?

Sharon Tucker: I have a question. They have enough money to break ground this year or do they need to collect a little more?

Tom Harris: He is trying to get more private donations. That is being pursued while they receive the contribution from the Commissioners as well as Council.

Larry Brown: In round numbers, I believe, was like 50/50 meaning Commissioners, Council and Commissary and the other half of the project would be private.

Sharon Tucker: I was just seeing how close we were to having it if we are breaking ground in 2017. Construction year gives us less than the ten months we have left in the year.

Larry Brown: As you may or may not know, when it gets to that point, the contract cannot be awarded until the funds are in hand. This takes a hurdle out of the way, if you will. **We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0.** Who wants to handle then next item?

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Nick Jordan: It is really the same thing. This one is almost completed if not already completed. Back in June of 2016, the Sheriff came and got approximately \$300,000 out of the Federal Asset Seizure Fund. At the end of the year, they actually had the architect's invoice but they forgot to encumber the money. This is just getting the funds re-appropriated. I think the project was \$20,000 more than was originally estimated in June but all of it is coming out of the Federal Asset Seizure Fund.

Larry Brown: That building is now 100% complete.

Tom Harris: This is the fund where the bad guys are paying for the good things. I will move for the appropriation in the Federal Asset Seizure Fund \$115,000 for the Training Center Expansion.

Justin Busch: Second.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Next is the Highway Department.

Kim Yagodinski: Kim Yagodinski, Finance and Personnel Manager.

Bill Hartman: Good morning, Bill Hartman, Director of the Allen County Highway Department.

Larry Brown: Does Kim always have a smile on her face?

Bill Hartman: Yes, sir.

Kim Yagodinski: We are here this morning to ask for an appropriation in MVH this is for our LTC impact grids. The Council met last October in a special session and approved those changes to the grid. Since the Highway salaries are paid out of MVH, we need to appropriate funds in order to cover those as we get further along in the year. The Auditor's Office suggested to us that we place these funds in a single line rather than individually allocating into each line. We will put those in the 7201, 7202 and 7203 lines and will then draw out of them as we near the end of the year. The total appropriation that we are asking for is \$295,024.

Larry Brown: Does everybody understand all of that? Are there any questions for the Highway Department?

Sharon Tucker: I will make a motion that we appropriate in Highway Fund 250, 7201, 7203 and 7203 lines 431.19-99 in the total amount of \$295,024 for salary increases.

Justin Busch: Second.

Larry Brown: Does anyone have any questions?

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Sharon Tucker: I do. Has this made a difference for you guys? Have you been able to find help or retain?

Kim Yagodinski: I thought you might ask that question and so I have been kind of keeping track since the beginning of the year. We have had five positions come open in some of the PAT and some in the LTC. One of them was the result of a death at our South Barn. One was a retirement and another who is an Elected Official now in the Surveyor's Office. We had a termination, unfortunately. We had someone who took another job somewhere else for more pay even after the grid changes. Some of those things were in process even before the grids were adjusted. The staff is very happy with the increases and morale is great. We haven't had to work a lot of overtime this year because of the mild winter but the pay certainly helps our staff to feel appreciated.

Sharon Tucker: Have you seen an increase in applications?

Kim Yagodinski: We have actually had some applicants from the City of Fort Wayne which we have never had applicants from the City of Fort Wayne. We have two people starting in our department who previously worked for the City or the State. We have had some INDOT applicants as well.

Sharon Tucker: That is what I am looking for. Thank you.

Larry Brown: We have a motion and a second. All in favor say aye, those opposed, like sign. The motion passes 7-0. Next on the agenda is any discussion to come before Council and upcoming meetings or recent meetings. Are there any liaison reports? I will remind you that a week from today we will have a special meeting 8:30 a.m. in this room. The sole purpose is to discuss the POLE and OSS grids. For Eric and Justin, there is quite a bit of background paperwork and I don't know if you guys have seen it.

Nick Jordan: I sent them the WIS study as well as the October 12th meeting minutes.

Larry Brown: Okay, then you've got it.

Nick Jordan: If you want other stuff, we can pull it together too.

Larry Brown: As you have the opportunity to review that if you have questions, channel them through Nick and we will try to get your questions answered before the meeting.

Nick Jordan: And the whole Council, if you have questions or want information, please get the request in so that we don't come here next week and can have the data prepared for you.

Larry Brown: I can only speak for myself but my filing system is not the best. I have gotten several emails from you lately, Nick, but did you copy all of us on what you sent Eric and Justin?

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Nick Jordan: No because you guys already had it. I can resend it if you like.

Larry Brown: Could you please. Also, there was a cost analysis that you and Tera put together.

Nick Jordan: Jackie actually contributed that.

Larry Brown: Okay.

Nick Jordan: We will update that to the extent because what that took into effect was the three percent raise. There may be minimal changes but we will bring that so you can see any significant changes. Otherwise there won't be huge differences. Janette said that she had not received any new requests from Council so if you have something you need from HR, make sure you get that to them so they have time to prepare it.

Sharon Tucker: Will we need anything from the Commissioners on the exit interviews? That was one of the sticking points. Will we need a commitment or suggestions from them on that?

Larry Brown: I can tell you that I took an executive decision and decided to ask that it be presented to the Personnel Committee first before it comes to Council. That is going to happen at the next meeting. Bob.

Bob Armstrong: I have a question for Nick. In talking to some of the neighborhoods I have been questioned about raising taxes. I have had some time to go on the Lottery website. Very interesting information, the lottery started back in October of 1998 and they have their yearend totals. In 2015, there was \$9,382,655 given to Allen County for the Build Indiana Fund. Where and how is that money distributed within Allen County?

Nick Jordan: I wonder if it came from the Build Indiana Fund. We don't have a Build Indiana Fund. The lottery cut, in essence, you used to have to pay more in BMV excise taxes and now the lottery offsets a portion of that. That is received with excise taxes from the State and that gets distributed to taxing units the exact same way that property tax dollars do. Every taxing unit, schools included, gets a portion of that. It is just in their excise distribution.

Bob Armstrong: So it is not broken out for roads, bridges...

Nick Jordan: Just like property tax, I will distribute it based on the property tax rates and it will go into those funds. The Townships won't have those road or bridge expenses and schools won't either. Your Cities and Towns, it would be going into that fund to offset those expenses. As example, Fort Wayne has multiple funds and each fund would get a portion of that.

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Bob Armstrong: I just thought it was pretty interesting that in 2015 Allen County received \$43 million out of the lottery. That covers Police and Fire Pension, teachers' retirement, payments to winners and retailers and the Build Indiana Fund. That is a large chunk of money.

Nick Jordan: Not all of it would be through excise then. I think we distributed about \$36 million in excise and half of that would be from the lottery. That would be about \$18 million. I would have to see if the \$43 million comes from MVH distributions which would go directly to Cities and Towns just not through the Auditor's Office.

Bob Armstrong: It just seemed kind of interesting that when you are out talking to these neighborhood associations that they all bring up what happened to the lottery money.

Nick Jordan: That was just mentioned in that Income Tax Council meeting a couple of weeks ago. John Stafford mentioned how the excise tax was one of the most disliked and it used to be double but the lottery cut it and offsets that. You only pay half and the lottery cut is the other piece of it.

Tom Harris: Where some people may get confused is when they see Allen County they may be thinking of it as a government entity rather than Allen County as a geographical area.

Bob Armstrong: That is not what comes to us. That is a very interesting website because you can go back to the first annual report and it breaks down every County and shows where all of the lottery money went.

Nick Jordan: The portion that would go through the excise tax is based on property taxes and the schools would get the biggest piece.

Larry Brown: Bob, in your investigation, did you discover anyplace that tells you, I thought you said it included winners.

Bob Armstrong: It says on here payment of winners in Allen County was \$25,594,000.

Nick Jordan: Of the \$43 million?

Bob Armstrong: Yes.

Nick Jordan: That eighteen amount would be a lot closer than the \$43 million, to my knowledge.

Bob Armstrong: It also says that when you sell a winning ticket, the retailer gets a cut. That was \$4 million for 2015.

Sharon Tucker: So the subtraction is the difference.

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Larry Brown: It is easy to understand how people get confused. Is there anything else?

Sharon Tucker: Approval to waive the reading on any matter approved today for which it may be deemed necessary for the County Council meeting of February 16, 2017.

Tom Harris: Second.

Larry Brown: All in favor please signify by saying aye. The motion passes 7-0.

Bob Armstrong: Move to adjourn.

Joel Benz: Second.

Larry Brown: All in favor please signify by saying aye. Opposed like sign. The motion carries 7-0. There being no further business the meeting was adjourned at 9:31.