

**TIPPECANOE COUNTY COUNCIL
REGULAR MEETING
OCTOBER 10, 2006**

The Tippecanoe County Council Meeting began at 2:00 P.M. Tuesday, October 10, 2006 in the Tippecanoe Room in the County Office Building. Council members present were: President David S. Byers, Ronald L. Fruitt, Betty J. Michael, Thomas P. Murtaugh, Kevin L. Underwood, and Kathy Vernon. Others present were: Auditor Robert A. Plantenga, Attorney David W. Luhman, and Secretary Pauline E. Rohr. (Councilmember and Vice President Jeffrey A. Kemper was absent.)

President Byers called the meeting to order and led the Pledge of Allegiance.

APPROVAL OF MINUTES

- Councilmember Fruitt moved to approve the minutes of the September 12, 2006 Special Joint Meeting with the Commissioners as distributed, seconded by Councilmember Michael; motion carried.
- Councilmember Underwood moved to approve the minutes of the September 12, 2006 Regular Meeting as distributed, seconded by Councilmember Vernon; motion carried.

AUDITOR'S FINANCIAL REPORT: Robert Plantenga

Auditor Plantenga reported the 2006 uncommitted County General Funds through September 30, 2006 are \$422,722.37. Auditor Plantenga reviewed the Revenue and Fund Reports.

<u>Revenue</u>	September '06 Actual	
33-40	Animal Warden Reimbursement	\$79,540.16
46-10	Parks	\$16,934.47
46-40	Fairgrounds Rental	\$29,820.00
61-10	Interest	\$122,329.83

<u>Funds</u>		
310	County Self Insurance	\$390,453.18
716*	Surplus Tax Sale	\$2,426,124.63

*Amount of sale over the minimum Tax Sale bid. This surplus is kept until the property is redeemed during which time the General Fund earns the interest.

TREASURER'S INTEREST REPORT: Oneta Tolle

Mrs. Tolle distributed the Interest Report showing the average interest rate for August 2006 was 5.20%.

TREASURER: Oneta Tolle

Transfer: \$3,100

From:	001-0210-413-42-10	Professional Services	3,100
To:	001-0210-412-20-10	Office Supplies	3,100

Councilmember Murtaugh recommended no action today because this transfer is to pay for flat screen monitors in the Treasurer's Office that are already in the Cum Cap Fund Budget for 2007.

Mrs. Tolle explained she was trying to help the MITS Department. She said she didn't know the Treasurer was on the list to get flat screen monitors.

FEDERATED PUBLICATIONS, INC. dba Journal and Courier: Compliance with Statement of Benefits (CF-1) on Real Estate Improvements: Gary Suisman, Publisher

The following numbers were submitted on the CF-1:

<u>Employees and Salaries</u>	<u>Estimated on SB-1</u>	<u>Actual</u>
Current number of employees	15	15
Salaries	651,872	671,500
Number of employees retained	15	15
Salaries	651,872	671,500
Number of additional employees	7	5
Salaries	388,104	212,840

Mr. Suisman explained that their application stated they would retain 1 non-production exempt employee and 14 skilled employees but they actually have 16 skilled employees and 2 non-production exempt employees. The estimated average hourly wage for skilled employees was \$18.13 but they are actually earning \$18.41. One non-production exempt employee earns approximately \$48 per hour and the other earns approximately \$39 per hour. Mr. Suisman said, by mid 2007, they have expectations for commercial printing from outside the community which will probably require additional employees.

- Councilmember Murtaugh moved to find Federated Publications, Inc. dba Journal and Courtier is in substantial compliance with the Statement of Benefits, seconded by Councilmember Vernon; motion carried.

SUPERIOR COURT III

Additional Appropriation: \$60,000

25,000	Institutional Care
35,000	Pauper Counsel

- Councilmember Fruitt moved to appropriate \$25,000 for Institutional Care and \$35,000 for Pauper Counsel, seconded by Councilmember Michael; motion carried.

HEALTH: Executive Assistant Ron Cripe**General Fund****Additional Appropriation: \$8,000**

1,500	Medical Supplies
1,900	Printed Forms
2,600	Transportation Supplies
2,000	Travel & Training

Mr. Cripe requested these appropriations to pay for operating supplies until the end of the year. He noted they have generated revenue totaling \$245,150 so far this year.

- Councilmember Michael moved to approve the appropriation of \$8,000, seconded by Councilmember Underwood; motion carried.

Tobacco Settlement Fund 762**Transfer: \$12,400**

From:	762-9410-411-17-10	Health Insurance	7,400
	762-9410-411-17-40	Unemployment	5,000
To:	762-9010-452-25-25	Medical Supplies	12,400

- Councilmember Fruitt moved to approve the transfers, seconded by Councilmember Underwood; motion carried.

WIC: Fund 880: Coordinator Colleen Batt**Transfer: \$10,000**

From:	880-9410-411-17-50	Workers Comp	10,000
To:	880-9210-454-62-90	Misc Equipment	10,000

Mrs. Batt said there is a sufficient amount in Workers Comp to transfer to pay claims for a variety of equipment.

- Councilmember Underwood moved to approve the transfer, seconded by Councilmember Michael; motion carried.

CORONER**Additional Appropriation: \$15,000**

5,000	Transfer Service
10,000	Autopsies

Councilmember Murtaugh explained that approval of these appropriations should carry these line items until the end of the year.

- Councilmember Underwood moved to approve \$5,000 for Transfer Service and \$10,000 for Autopsies, seconded by Councilmember Murtaugh; motion carried.

PROBATION: User Fees Fund 510: Deputy Probation Officer David Hullinger**Additional Appropriation: \$11,872**

10,745	Part-time – Other
252	Chief Deputy Official
861	Social Security
14	Retirement

Auditor Plantenga said the Social Security amount should be \$842 instead of \$861.

- Councilmember Michael moved to appropriate \$10,745 for Part-time – Other, \$252 for Chief Deputy Official, \$842 for Social Security, and \$14 for Retirement, seconded by Councilmember Underwood; motion carried.

PROSECUTOR: Prosecutor Jerry Bean**Infraction Diversion Fund 261****Additional Appropriation: \$25,000**

10,000	Miscellaneous
5,000	Travel
5,000	Law Books
5,000	Transcripts/Records

Mr. Bean requested appropriations to pay expenses incurred for the Gauvin trial.

- Councilmember Underwood moved to appropriate \$25,000 in Fund 261, seconded by Councilmember Michael; motion carried.

Non-Drug Forfeitures Fund 265**Additional Appropriation: \$560**

560	Miscellaneous
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- Councilmember Underwood moved to approve the appropriation of \$560 in Fund 265, seconded by Councilmember Fruitt; motion carried.

Drug Task Force Fund 257**Additional Appropriation: \$13,000**

8,000	Miscellaneous
5,000	Utilities

Mr. Bean explained the \$8,000 Miscellaneous will be used to purchase equipment and provide “buy” money for the Drug Task Force.

- Councilmember Underwood moved to appropriate \$13,000 in Fund 257, seconded by Councilmember Michael; motion carried.

PROSECUTOR IV-D: Prosecutor Jerry Bean**Transfer: \$1,900**

From:	001-5920-413-32-10	Travel	1,900
To:	001-5920-412-20-10	Supplies	1,900

- Councilmember Michael moved to approve the transfer of \$1,900 for Prosecutor IV-D, seconded by Councilmember Fruitt; motion carried.

SURVEYOR**Cornerstone Perpetuation Fund 240****Additional Appropriation: \$952**

952 Retirement

Auditor Plantenga explained that, when an employee was added to this fund during the 2006 Budgeting process, the formula for Retirement calculation was incorrect. This additional amount will correct the error.

- Councilmember Fruitt moved to appropriate \$952 for Retirement in Fund 240, seconded by Councilmember Vernon; motion carried.

Engineer Review Fees Fund 244**Additional Appropriation: \$45,000**

45,000 Engineer Review Fees

Auditor Plantenga explained that approval will appropriate funds to pay bills.

- Councilmember Michael moved to approve the appropriation of \$45,000 in Fund 244, seconded by Councilmember Vernon; motion carried.

EMERGENCY MANAGEMENT: Tech Grant Fund 428:**Appropriation of Budget: \$11,250**

11,250 Data Processing/Hardware/Software

Mrs. Chapman explained that Emergency Management received this grant that will be used to purchase ten (10) laptop computers with software that will be distributed to local fire departments.

- Councilmember Fruitt moved to appropriate \$11,250 in Fund 428, seconded by Councilmember Underwood; motion carried.

CARY HOME: Substance Abuse Education B Grant Fund 138: Grant Coordinator Christine Chapman**Appropriation of Budget: \$8,568**

8,568 Contract/Educator

Mrs. Chapman explained that this appropriation will pay for a Part-time Therapist for the JAMS Program.

- Councilmember Michael moved to appropriate the budget for Fund 138, seconded by Councilmember Murtaugh; motion carried.

SHERIFF: Federal Adoptive Forfeitures Fund 192: Capt. Charlie Williams**Additional Appropriation: \$49,062**

49,062 Miscellaneous

Capt. Williams requested appropriation of these monies seized in arrests to purchase equipment and software for the Drug Task Force.

- Councilmember Michael moved to appropriate \$49,062 in Fund 192, seconded by Councilmember Murtaugh; motion carried.

SHERIFF: Sheriff William "Smokey" Anderson**Transfer: \$60,000**

From:	001-5410-421-11-15	Deputies	60,000
To:	001-5910-422-25-80	Vehicle	60,000

Sheriff Anderson request the transfer to pay for fuel.

- Councilmember Fruitt moved to approve the transfer of \$60,000, seconded by Councilmember Michael; motion carried.

COUNTY ASSESSOR: Reassessment Fund 281**Transfer: \$20,000**

From:	281-0510-413-43-35	Contracts/Consultant	20,000
To:	281-0510-411-12-20	Part-time	20,000

Auditor Plantenga noted that Social Security in the amount of \$422 was not requested. He said he spoke to the County Assessor and \$18,578 is a sufficient amount for Part-time.

- Councilmember Fruitt moved to transfer \$18,578 from Contracts/Consultant to Part-time and \$422 from Contracts/Consultant to Social Security, seconded by Councilmember Michael; motion carried.

VETERAN SERVICES**Transfer: \$250**

From:	001-2810-411-12-20	Part-time-Other	250
To:	001-2810-413-32-10	Travel & Training	250

- Councilmember Fruitt moved to approve the transfer, seconded by Councilmember Vernon; motion carried.

VILLA: Director Deanna Sieber**Transfer: \$21,900**

From:	001-3510-411-11-10	Full Time Employee	19,000
	001-3510-411-15-10	Social Security	1,000
	001-3510-411-16-10	Retirement	1,000
To:	001-3510-413-37-10	Electric	7,000
	001-3510-413-37-40	Water	8,900
	001-3510-413-37-50	Heating	4,000
	001-3510-413-35-05	Building & Structures	2,000

Mrs. Sieber requested the transfers to Electric, Water, and Heating to cover increased costs. The transfer to Building & Structures is to pay for major repairs to the water heater and water drain.

- Councilmember Michael moved to approve the transfers, seconded by Councilmember Fruitt; motion carried.

AUDITOR: Plat Book Fund 165: Auditor Bob Plantenga**Transfer: \$620**

From:	165-0110-412-20-10	Office Supplies	620
To:	165-0110-413-36-50	Rebinding	620

Auditor Plantenga explained that the Union Township Transfer book from 1892-1911 was rebound but is too large. The transfer will pay to have it divided into two (2) books.

- Councilmember Fruitt moved to approve the transfer in Fund 165, seconded by Councilmember Vernon; motion carried.

DEPARTMENT OF CHILD SERVICES: Family & Children Director Angela Smith-Grossman**RESOLUTION 2006-31-CL: Permitting Transfer of Monies for a Loan between Funds for Cash Flow Purpose**

Resolution 2006-31-CL will appear in its entirety in the Ordinance and Resolution Book in the County Auditor's Office.

Family & Children Fund 570**Additional Appropriation: \$7,948,147**

107,990	Care of Wards in Foster Homes
2,100,000	Care of Wards in Therapeutic FH
2,591,536	Care of Wards in Institutions
25,000	Independent Living for Wards
3,023,621	Preservation Services
60,000	Miscellaneous Cost of Wards
40,000	Adoption Services

Mrs. Smith-Grossman outlined the reasons for her request of approximately \$8 million:

- Insufficient appropriation to pay current or past due bills except for Foster Parents and Adoptions.
- No cash flow.
- The appropriation of cash flow monies they will receive at the end of 2006 will fall short.

She said they have a \$3.4 million debt and estimated a shortfall of approximately \$3 million for 2006. Some providers have not been paid for three to four months, but the DFC is trying to pay expenses that are reimbursable.

Auditor Plantenga used conservative revenue estimates for October, November, and December and expenditure estimates provided by the DFC to calculate estimated end of the month cash balances which he thinks would be sufficient to pay current expenditures. However, the County will still have a \$3.4 million debt.

	<u>Receipts</u>	<u>Expenditures</u>	<u>Cash Balance</u>
September			\$1,381,373.77
October	\$393,783.20	\$1,580,000.00	\$195,156.97
November	\$1,362,500.00	\$1,580,000.00	-\$22,343.03
December	\$2,981,275.82	\$1,580,000.00	\$1,378,932.79
Total	\$4,737,559.02	\$4,740,000.00	

If the Council approves the additional appropriation request of \$7,948,147, Auditor Plantenga doesn't think it will be approved by the DLGF because it is in excess of the surplus funds remaining of \$3,818,826.60.

Councilmember Fruitt asked why the January through August receipts are so much lower than the expenditures but September, October, and November receipts and expenditures are almost the same. Auditor Plantenga answered that twice as much Property Tax Replacement Credit is distributed in the December Settlement than in the June Settlement.

Mrs. Smith-Grossman said she is requesting a debt levy loan for the \$3.4 million deficit and a temporary loan of \$2 million to provide cash to pay bills now to providers who have indicated they will have to cut services if they aren't paid.

Councilmember Michael asked why Mrs. Smith-Grossman waited so long to come to the Council. She responded that she has been in contact with her Council representatives and the Auditor for approximately two months to determine their needs and how they can be addressed without borrowing. She said the number of children served increased from approximately 250 in June 2005 to 430 in June 2006 because more abuse is coming to their attention.

President Byers questioned the DFC's accuracy for paying providers as well as the daily rates they pay for services. Mrs. Smith-Grossman conceded that an audit showed some irregularities in payments but said that has been corrected. Addressing the daily rate issue, Mrs. Smith-Grossman said the State sets standards for services provided. She explained that she does try to negotiate the price of services but some costs are court ordered. She said reimbursements are twice as much as the anticipated amount but they have reached the limit.

Councilmember Fruitt asked if there is a resolution for this issue. Attorney Luhman responded that there are three issues to address.

1. DFC requested an additional appropriation for anticipated expenses of \$4,740,000 between now and the end of the year.
2. No cash flow. They have \$1.3 million for now through the end of October but no cash for November and December to pay providers. DFC has requested a transfer of \$2 million from other County funds to pay current bills that will be paid back with December Settlement funds at the end of the year.
3. This will leave no cash in January or February of 2007 and they won't get any more money until the June Settlement because of the \$3.4 million debt.

Even though this is a State agency, Attorney Luhman explained that the County is required to provide funding for court-ordered services and Children and Family Services, but the 2007 Budget doesn't include money to pay the \$3.4 million deficit. As an answer to this situation, the County received authorization from the State to borrow \$3 million to apply toward the deficit because there is no way to bring in additional revenue. He said the Council can take action in November 2006 to borrow \$3 million that will be paid back with an additional tax rate in 2008 that will be effective for an estimated five (5) years.

President Byers and Councilmember Michael said they don't want to raise property taxes to pay this and would like the State Director to attend the November Council meeting.

Councilmember Fruitt asked for the recommendation regarding payment of current bills. Auditor Plantenga said there is approximately \$3.8 million in cash the Council can appropriate to pay bills. This action will not affect the tax rate.

President Byers asked Councilmember Murtaugh, DFC representative, for his recommendation. Councilmember Murtaugh agreed that the Council is in a box because, if there is no money, services will be cut off which could mean another death. He recommended appropriating the \$3.8 million cash, passing Resolution 2006-31-CL for the temporary loan of \$2 million that will be paid back in December at 5% interest, and holding a public hearing regarding the \$3 million debt service loan.

Mrs. Smith-Grossman said she is compelled to be a good steward of the money, but the DFC has to take care of children who need care to keep them safe.

Additional Appropriation: \$7,948,147

- Councilmember Murtaugh moved to appropriate \$1,000,000 for Care of Wards in Therapeutic Foster Homes, \$1,000,000 for Care of Wards in Institutions, \$107,990 for Care of Wards in Foster Homes, and \$170,836 for Preservation Services for a total appropriation of \$3,818,826 in Family & Children Fund 570, seconded by Councilmember Vernon; motion carried.

Resolution 2006-31-CL

Attorney Luhman explained that Resolution 2006-31-CL authorizes a temporary transfer of \$1 million from Economic Development Rainy Day Fund 099 and \$1 million from COIT Reserve Fund 051 for a total of \$2 million that will be required to be paid back on or before December 31, 2006 at a 5% interest rate.

- Councilmember Murtaugh moved to approve Resolution 2006-31-CL, permitting the transfer of monies for a loan between funds for cash flow purposes, seconded by Councilmember Vernon; motion carried.

Public Hearing Scheduled

The County Council will hold a Public Hearing regarding the borrowing of \$3 million for an increased tax rate at 1:00 P.M., Tuesday, November 14, 2006 in the Tippecanoe Room in the County Office Building.

OTHER BUSINESS

Auditor Plantenga informed the Council that Emergency Management received a grant that has to be spent by the end of October. Because it was received after the deadline for today's meeting, the additional appropriation will be presented for approval at the November meeting. The money is designated to purchase Sheriff's equipment.

FYI: Commissioner John Knochel

None.

PUBLIC COMMENT

None.

NOVEMBER MEETINGS

The Council will hold a Special Public Hearing regarding the Debt Service Loan for the DFC at 1:00 P.M., Tuesday, November 14, 2006. The Council's Regular Meeting will follow at 2:00 P.M.

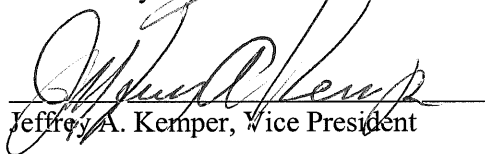
ADJOURNMENT

- Councilmember Fruitt moved to adjourn, seconded by Councilmember Michael; motion carried.

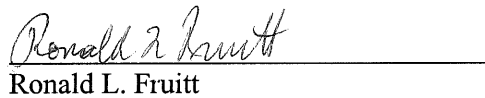
TIPPECANOE COUNTY COUNCIL




David S. Byers, President

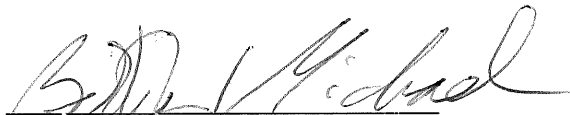


Jeffrey A. Kemper, Vice President

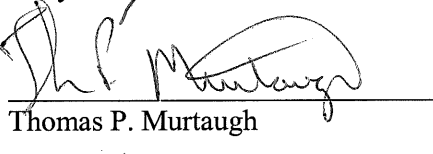


Ronald L. Fruitt

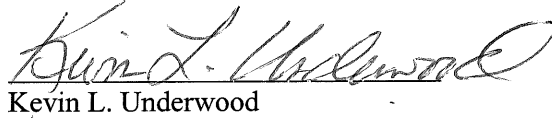
Attest: 
Robert A. Plantenga, Auditor



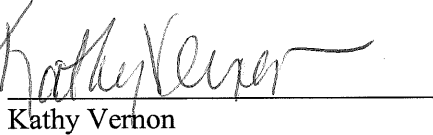
Betty J. Michael



Thomas P. Murtaugh



Kevin L. Underwood



Kathy Vernon