

**SPECIAL JOINT MEETING
TIPPECANOE COUNTY COMMISSIONERS
TIPPECANOE COUNTY COUNCIL
MAY 4, 2000**

The Tippecanoe County Commissioners and Tippecanoe County Council met in a special joint meeting on Thursday, May 4, 2000 at 2:00 P.M. in the Tippecanoe Room in the County Office Building. Commissioners present were: President Ruth E. Shedd, Vice President John L. Knochel, and Member Kathleen Hudson. Council members present were: President Jeffrey Kessler, Vice President David S. Byers, Connie Basham, Margaret K. Bell, Jeffrey A. Kemper, and David S. Koltick; Auditor Robert A. Plantenga, Attorney David W. Luhman, and Secretary Pauline E. Rohr. (Councilmember Ronald L. Fruitt was absent.)

President Kessler called the special meeting of the County Council to order.

President Shedd called the special meeting of the County Commissioners to order.

This meeting was held to discuss various challenges facing the County.

2001 BUDGET

Based on past history, Auditor Plantenga projected a 5.5% average increase in assessed value for 2000 over 1999 for an additional \$84,345,000. However, mainly due to the lack of the Welfare Loan, our tax levy in 2000 will bring in approximately \$6 million less and COIT, 40% of our revenue, also will drop from 47.802% to 38.517% or approximately \$800,000. While the County doesn't want a Welfare Loan, more money came into the County General Fund when we had one. It was noted that COIT is based on property tax revenues only, not expenses.

If the Cum Bridge rate is lowered \$0.01 from \$0.18 to \$0.17, the increase in the amount of money we can raise from property taxes will be \$161,788.

Since that is no election next year, Auditor Plantenga estimates a savings of \$175,000 in the Election Board Budget.

New positions approved and funded this year that will carry over to 2001 are being paid from the County's cash balance. When funded for a full year, they will add \$181,436 to this year's original budget.

In response to a question, Auditor Plantenga said a tax abatement affects the tax rate for each individual but the same amount of tax is collected.

If the Excess Levy request were \$250,000, Auditor Plantenga estimated the current County General tax rate of \$0.6880 would change to \$0.6954 for an increase of \$0.0074. Using Presidents Kessler and Shedd as examples, President Kessler's taxes would increase \$2.62 for a full year and President Shedd's taxes would increase \$0.84 for a full year.

EXCESS LEVY

An Excess Levy can only be tied to costs that will be required for starting the new Superior Court 6 on January 1, 2001. An Excess Levy request, submitted when the 2001 Budget is submitted for the State's approval, needs to include any and all necessities required to operate that court.

Commissioner Knochel commented that Archives, a division of the Clerk's Office, may request additional part-time for 2001 because of travel time to deliver files to the Courthouse. He thinks we may be able to include this cost in the Excess Levy request because Archives was moved to the 629 Building to make room for the new court.

President Kessler asked Councilmember Koltick to chair a committee to work with the Commissioners to determine all court related costs that should be included in the Excess Levy request.

HEALTH INSURANCE INCREASE

President Shedd said they met with the County's health insurance carrier, Great West, and found it will be necessary to increase the health insurance cost to employees. With talk that the County will not be able to raise employees' salaries substantially, she is very concerned about an increase in health insurance cost. In addition, she said employees will pay an increased amount to park in the garage when it is built. President Shedd said we have good employees that need a substantial raise as an incentive to stay even if it means cutting costs elsewhere.

The Commissioners have compared other companies' rates at least twice in recent years which caused Great West to give us competitive pricing to retain the County as a client. President Shedd said approximately \$200,000 in claims in 1999 caused the increase. Claims in prior years were not this substantial.

President Kessler said he thought that, following the salary study, our employees' salaries are now in line with other similar entities in the community. Human Resources Director Frank Cederquist responded that the County is paying starting employees 82% of market. It takes a County employee 7 years to reach market but it takes Lafayette City employees only 2 years to reach market.

Mr. Cederquist said the County had six (6) good years for health insurance claims but the last claim year from April 1, 1999 to March 31, 2000 ended with a deficit. He said no specific claim can be cited as the cause. The balance of the Health Fund Trust was \$1.3 million on March 31, 2000 compared to \$1.6 at the end of 1999. Mr. Cederquist said the ideal balance would be \$2.2 million. To lower costs, he thinks the County may need to change the plan design that will cause employees to pay more. Some areas under consideration for increases are the co-pay for doctor visits, the deductible, the co-insurance cap, and prescriptions.

Councilmember Byers suggested insuring with the City of Lafayette to obtain a better group rate. Mr. Cederquist said that option was investigated a few years ago with no positive results.

Councilmember Kemper said the County needs to offer an insurance plan to cover the big problems, employees may have to accept a higher deductible and/or prescription costs.

Commissioner Shedd asked how the County will justify giving the employees no raise in pay but increase their costs for health insurance and parking. Councilmember Kemper said the Budget can only be stretched so far. It was emphasized that only downtown employees are required to pay for parking.

Councilmember Bell said she is frequently asked, with the amount of growth in the County, why the County is short of money. This is because the maximum levy is fixed.

Mr. Cederquist said they are exploring the option of providing health insurance for retiring employees who take their pension. If implemented, the cost to the retiree has not yet been determined.

Commissioner Knochel said the employees are probably the most important item for consideration at Budget time, and the Council and Commissioners need to take a hard look at what they can do for them. He thinks Commissioner Shedd is saying we need to do as much for the employees as we can.

- Before Councilmember Koltick left the meeting, he stressed his support for additional personnel for the courts, the Prosecutor, and Probation.

PARKING GARAGE

Although the County's Fiscal Plan estimates \$192,000 as the annual maintenance cost for a 400 space garage, President Shedd said American Consulting estimates the average annual maintenance cost will be \$13,000 for a 500 space garage. If the Commissioners choose to build a post-tensioned structure, the annual maintenance will be \$7,500 per year plus \$8,000 to \$10,000 at 10 to 15 year intervals to repair joints. If a precast structure is built, the maintenance will be \$9,000 per year plus \$40,000 to \$50,000 at 10 to 15 year intervals to repair joints. The construction cost per space will be approximately \$12,400.

When Councilmember Kemper questioned the 50% increase per space cost from a year ago, Attorney Luhman said he recalled the cost per space was estimated at \$7,500 to \$10,000 one year ago. The architects pre-design estimate was \$5 million for 500 spaces or \$10,000 per space. He said the architect doesn't know what costs will be at a later date so that's why we have the not to exceed amount of \$6.2 million. It was noted that results from the soil borings also added to the cost.

➤ Commissioner Hudson left the meeting.

President Shedd said they estimate the charge to employees to park in the garage will be \$25.00 per month, but they may try to implement a step system of charging according to the employee's salary. The County-owned lot located at 4th and Alabama has 46 spaces. Commissioner Knochel said they expect to charge the same rates as the City for non-employees. Using the City Parking Garage as an example, President Kessler pointed out that people are willing to pay for convenience.

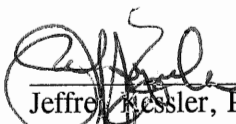
Auditor Plantenga noted that collections from the parking garage will go into the EDIT Fund to repay the bonds. Parking fees presently go into the County General Fund.

ADJOURNMENT

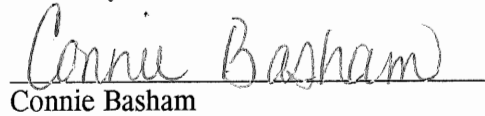
- Councilmember Byers moved to adjourn, seconded by Councilmember Basham; motion carried.
- Commissioner Knochel moved to adjourn, seconded by Commissioner Shedd; motion carried.

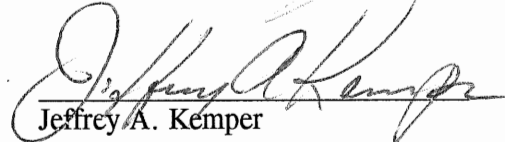
Robert A. Plantenga, Auditor


TIPPECANOE COUNTY COUNCIL

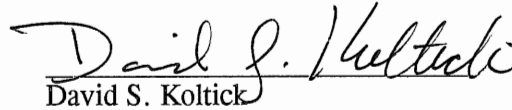

Jeffrey Kessler, President

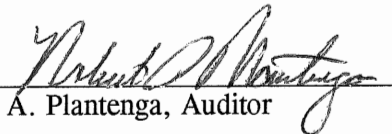

David S. Byers

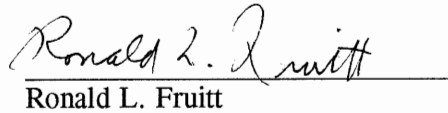

Connie Basham


Jeffrey A. Kemper


Margaret K. Bell


David S. Koltick

Attest: 
Robert A. Plantenga, Auditor


Ronald L. Fruitt