

SEPTEMBER 21, 2015

Pursuant to adjournment comes now the Starke County Council and meet in a regular session at 5:30PM in the Annex Building Meeting Room, Knox, Indiana, with Dave Pearman, Bryan Cavender, Brad Hazelton, Pam Stalbaum, Robert Sims, and Jennifer Davis present, and the following proceedings were held to wit:

The meeting was called to order by Council Vice-President, Dave Pearman. Councilman President Freddie Baker was absent.

Councilwoman Davis made a motion to approve the minutes of the August 17th meeting. Councilman Sims seconded the motion and it passed with all ayes.

ASSESSOR'S REQUEST FOR SECONDARY SOURCE OF FUNDING

Assessor Rhonda Milner appeared before the Board in regard to the purchase of new departmental assessment software. She advised she had received approval from both boards to purchase the new software and has incorporated the purchase into her 2016 budget. She noted she is concerned in the event the State does not fully approve her proposed budget as to where the funding for the software purchase would be taken from. Assessor Milner advised she had discussed the funding issue with Auditor Chaffins and she had suggested that a possible source of funding could be the CEDIT-Rainy Day Fund. Auditor Chaffins advised that fund currently has a balance of \$96,888.87. The Council agreed with the use of the CEDIT Rainy Day Fund as back up funding in the event the state were to reduce the amount of the Assessor's proposed budgets for the next 5 years until the new software purchase is paid in full.

NORTH JUDSON-SAN PIERRE SCHOOLS 2016 BUDGET ADOPTION

Councilwoman Davis advised the public hearing for the 2016 budget of the North Judson-San Pierre School Corporation was held at their August 17th meeting. She then made a motion to adopt the NJSP Schools 2016 proposed budget. Councilman Hazelton seconded the motion, and it passed with all ayes. The NJSP Budget Ordinance, 75-0921, was signed by all six Council members present.

PUBLIC HEARINGS OF STARKE COUNTY BUDGETS

Councilwoman Davis made a motion to open the Public Hearing for the proposed 2016 Starke County Budgets, which also included the Starke County Airport's Budget, at 5:45PM. There being no public comments, Councilman Hazelton made a motion to close the Public Hearing. Councilman Sims seconded the motion and the motion passed with all ayes. The public hearing was closed at 5:48PM. Councilwoman Davis made a motion to open the Public Hearing for the proposed 2016 budget of the Solid Waste Department. Councilman Hazelton seconded the motion and the public hearing was opened at 5:48PM. County Attorney Marty Lucas advised their official departmental name is the Starke County Environmental Management District. There being no public comment, Councilwoman Davis made a motion to close the Public Hearing portion of the meeting, seconded by Councilman Hazelton. The motion passed with all ayes, and the public hearing was closed at 5:50PM.

NON-BINDING BUDGET REVIEWS

Starke County taxing units represented for their Non-Binding budget review were: North Judson-Wayne Township Public Library, Starke County Library, California Township, Wayne Township, North Bend Township, Oregon Township, and Washington Township. Those units not represented were Center Township, Davis Township, Jackson Township, Railroad Township, Knox Schools, Oregon-Davis Schools, the Town of Hamlet, the Town of North Judson, Bailey-Cox-Newston Conservancy, and the City of Knox.

Vice-President Pearman noted in their review by taxing unit the Council needs to look at their requested budget and see if the growth of their budget, their tax levy, and their tax rates are within the State's growth rate of 2.6% and or the County's growth quotient of 2.5%.

Following a discussion, Council Pearman summarized each taxing unit, beginning with the townships:

California Township: Councilman Pearman noted even though the township's budget requests are remaining the same as their 2015 budget, he is in disagreement with the amount of tax levy and tax rate for the township's fire fund due to the large amount of cash on hand in that fund. Auditor Chaffins advised the township usually only expends less than half of the actual budget approved for that year and that is how the cash is allowed to accumulate.

Center Township: Councilman Pearman noted the township was in compliance with both the State and County Growth Quotient for the budget, levy and tax rates since the 2016 budgets requested are remaining the same as their 2015 budgets.

Davis Township: Councilman Hazelton noted the large increase in the Fire Fund and the Fire Building Debt was due to the recently constructed Township Fire Station which would result in throwing off the percentage of increases and showing them to be outside of both growth quotients.

Jackson Township: Councilman Pearman inquired as to the township's large increase in their 2016 General Fund budget. The Township Trustee was not present for the review. Councilman Pearman stated the township request was outside of the State Growth Quotient and was not in compliance with the County's either.

North Bend Township: Councilman Pearman advised the township had a minimal 2015 approved budget and is now attempting to get the township in compliance on their 2016 budget. Since their 2015 budget was small it distorts the percentage of increase for each category. The North Bend Township Trustee advised they have been working with the DLGF to get the budget and tax levy properly established.

Oregon Township: Councilman Pearman advised the township was compliant, within both growth quotients in regard to their budget. He noted the township appears to be attempting to build up their Fire Fund. Their proposed tax levy and tax rates are slightly outside of both growth quotients.

Railroad Township: Councilman Pearman noted the township is not increasing their budget, but noted they are over the growth quotients in the tax levy and especially the tax rate without an explanation as to why.

Washington Township: Councilman Pearman noted the township is another township that is attempting to clean up their budget, tax levy and tax rates from a history of not receiving state approved budgets during the last few years. Because of that their requests in all three categories will reflect abnormally large percentage increases.

Wayne Township: Councilman Pearman noted this township also did not receive a complete 2015 budget order. The Township Trustee advised she had missed the budget submittal date by one day due to problems in uploading the information into Gateway. Because of the 2015 budget numbers, their 2016 requested amount will show distorted percentage increases.

Town of Hamlet: Councilman Pearman noted the Town is not in compliance and not within the State and County's Growth Quotients.

City of Knox: Councilman Pearman noted the City is showing large percentage increases in their 2016 budget requests and are therefore not within the two growth quotients.

Town of North Judson: Councilman Pearman noted the Town's budget figures appear to be distorted due to the fact they included the CEDIT budget with the other tax levy supported budgets. However, he advised he did not understand why they are requesting the large decreases in their proposed tax levy and tax rates.

Knox Schools: Councilman Pearman advised he is concerned with the large increases in their request tax levy and tax rates when their budget percentage of increase is within the growth quotients.

North Judson-San Pierre Schools: There was a discussion in regard to the effect of the proposed referendum question that will appear on the election ballot this fall. If approved the referendum, a supplement to the school's operating fund, would increase the tax rate by 47 cents. Councilman Pearman noted since the School has an appointed school board their budget requires adoption by the County Council.

Oregon-Davis Schools: Councilman Pearman noted due to the large increases in their capital projects and transportation budgets it will be greatly increasing the proposed tax levy and tax rates for 2016.

North Judson-Wayne Township Library: Councilman Pearman advised the library did a good job in keeping their proposed 2016 budget within the two growth quotients. He noted the tax levy is showing a slight increase over the growth quotient, and the proposed tax rates are showing a large percentage over the growth rates.

Starke County Public Library: Library Director, Rose Frost, was on hand to explain their proposed 2016 budget. She advised, due to an error in the submittal of their 2015 budget, their Lease Rental Payment Fund is now short of funding and will need to ask for an additional appropriation from the DLGF in order to make their December payment on time. She noted she worked on keeping her proposed 2016 budgets within the growth rates.

Bailey-Cox-Newton Conservancy District: Councilman Pearman advised the conservancy stayed within the growth rates with their proposed 2016 budgets but noted they are outside of the growth rates on their requested tax levy and tax rates.

PROPOSED 2016 PAYROLL INCREASES: PERCENTAGE OF INCREASE & LONGEVITY

Councilman Pearman advised that Auditor Chaffins had created a spreadsheet listing by Fund the cost of a possible 1%, 2%, or 3% increase to the base pay; the cost of a \$100.00 per year longevity factor by fund based on the benefit going into effect following the first complete year of employment; and she also showed the cost of a combination of the longevity factor and a percentage increase. He noted a breakdown of the number of full time employees was also submitted by the Auditor listing them by the number of years employed. He advised approximately a little more than half of the full time employees have been employed five or more years. There was discussion if longevity is an employment incentive or a source of recognition, and or as a retention tool to help with employee retention; if the longevity factor would begin following year one of employment or not until following year five; and if longevity could be received in a lump sum or incorporated into their annual pay. Attorney Lucas advised if the longevity factor was established it would become part of the County Handbook and would also need to be incorporated into the 2016 Salary Ordinance. Following a lengthy discussion, Councilman Hazelton made a motion to approve the longevity factor, to begin following the county employee's fifth year of employment at a rate of \$100.00 per year and not to cap it at a maximum of twenty years of employment; and also an across the board 1% increase to the base pay of all employees. Councilman Sims seconded the motion and it passed with all ayes. Just to clarify, the longevity for an employment with a full 5 years of employment is \$500.00; employees with 6-9 years would also be \$500.00; at ten years through fourteen years would be \$1,000.00; and then increase \$500.00 at every five years of additional employment. Auditor Chaffins advised the longevity factor would be a supplemental payroll line in each department's budget so as not to confuse that factor into a position's base pay. Vice President Pearman complimented those involved in the creation of the longevity factor as it has been several years in the making.

SHERIFF'S APPROPRIATION REQUESTS

Sheriff Bill Dulin appeared before the Board to request the appropriation of the 2015 Riverboat revenue, \$101,222.03, from Fund 7303 to be paid to Morgan Stanley for this year's contribution to the Sheriff's Department Pension Fund. Councilman Sims made a motion to approve the appropriation, seconded by Councilwoman Stalbaum. The motion passed with all ayes. Sheriff Dulin then requested the appropriation of the 2015 Misdemeanant revenue the County just recently received from the State in the amount of \$16,349.99. He advised the Starke County Community Corrections has no need for any of the funding. Councilman Hazelton made a motion to approve the appropriation request, seconded by Councilwoman Davis. The motion passed with all ayes. Sheriff Dulin lastly requested the funding for two additional full time jailers to be paid out of the Jail CREDIT Fund, # 1113, in the amount of \$69,762.00 along with \$7,000.00 for overtime expense. Councilman Sims made a motion to approve the two appropriation requests of the Jail CREDIT Fund in the total amount of \$76,762.00. Councilman Cavender seconded the motion and it passed with all ayes. Sheriff Dulin inquired if he could post the two positions immediately, and the Board advised he could post the two openings the next day.

PUBLIC COMMENT

Highway Superintendent Rik Ritzler inquired in regard to the longevity factor, if it is applied to the base pay first and then the employee would receive the 1% increase on the total. The Board advised the longevity factor will not be added into the base pay and therefore the 1% increase would not apply on the longevity amount. Superintendent Ritzler also verified that the longevity factor would be looking at the numbers of years of employment as of January 1st. The Board advised he was correct the number of years employed to be eligible for the longevity factor had to be completed prior to January 1st.

With there being no further public comments and no further business, Councilman Hazelton made a motion to adjourn the meeting, seconded by Councilwoman Stalbuam. The motion passed with all ayes and the meeting adjourned at 7:13PM.

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ABSENT

Freddie Baker, President

Dave Pearman

Bryan Cavender

Pam Stalbaum

Jennifer Davis

Robert Sims

Brad Hazelton

Katherine Chaffins, Starke County Auditor and
Secretary to the County Council