

Budget Hearings - 2014
Fairfield County Commissioners' Office
October 23, 2014

Budget Hearing – Sheriff's Office

The Commissioners met at 10:01 a.m. to discuss the Sheriff's Office 2015 Budget Request. Commissioner Kiger called the meeting to order with the following Commissioners present: Steve Davis, Mike Kiger and Dave Levacy. Also present were Carri Brown, Rachel Elsea, Staci Knisley, Sheriff Dave Phalen, and Chief Jerry Perrigo.

Ms. Brown asked if there were any changes to the proposed budget since the last level of entry.

Chief Perrigo stated there were not.

Ms. Knisley mentioned that she has made adjustments to health insurance based on the positive feedback from HR.

Sheriff Phalen stated their budget increased by 5.3% for 2015 and that this was seen in the contractual services, raises, and the addition of a detective.

Mr. Davis asked why the employee salary line item was so high.

Ms. Knisley added that at the most it should be \$692,000.

Chief Perrigo stated they would go back and look at their numbers. Originally they discussed adding a full time maintenance person and that that could possibly be the increase.

Mr. Davis noted that the additional detective would be in the Deputies and Detectives Salaries line item and also noticed that the line item for Sergeants, Lieutenants and Captains seemed a bit high at 14%.

The Sheriff stated he would need to speak with Ms. Dowdy to see how that number was reached.

Ms. Davis stated that with the new jail would come new efficiencies that would allow for a new deputy, detective, or dispatcher.

Sheriff Phalen stated that for now and the next few years they are not well equipped with personnel and are using a lot of overtime.

Mr. Davis stated they would follow up to discuss the line items that are up by 10%-12% without new personnel. He added that Ms. Dowdy may provide more insight. He noted that he was not denigrating the office, but trying to prepare for building a new jail.

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Mr. Levacy stated it was a matter of looking at numbers and determining how they ended up there. He added that they want to be helpful.

Sheriff Phalen will discuss this with Ms. Dowdy to see how she arrived at the projections.

Mr. Davis stated the departmental goal was to be around \$10.140 million.

Sheriff Phalen noted that was a decrease from the original request but they would see what they could do.

Ms. Elsea will schedule a follow up hearing.

The hearing ended at 10:28 a.m.

Budget Hearing – Economic Development

The Commissioners met at 10:37 a.m. to discuss Economic Development's 2015 Budget Request. Commissioner Davis called the meeting to order with the following Commissioners present: Steve Davis, Mike Kiger and Dave Levacy. Also present were Carri Brown, Rachel Elsea, Staci Knisley, and Bob Clark.

Mr. Clark presented his information via PowerPoint (see attached).

Ms. Clark noted that he tweaked the mission statement to reflect the service orientation of the county.

Ms. Knisley stated that she and Ms. Brown reduced the Workforce Development Grant based on expectations which explained the difference in the original request.

Ms. Brown added the reduction was due to history and that the grant can be increased next year if needed.

Mr. Clark stated he was convinced more than ever that Route 33 needs to be limited access. This is from information gleaned from his recent conference where all developers presenting stated they would not build near routes that were not limited access. Fairfield County has part of the only Class 2 rail system in Ohio. The speed and weight limits on this system raise costs for the companies. They are very close to using the Workforce Development Grant of 2014 and received 11 proposals in 2014. Mr. Clark is working to find out what occupations the 46,000 who leave the county everyday have in order to have more information about the workforce.

Ms. Brown asked Mr. Clark if he was still targeting \$35,000 in expenditures for the Port Authority.

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Mr. Clark replied that based on quotes they had received from law firms that sounded about right. The Port Authority is also looking at developing a strategic plan as well.

Mr. Clark added that he is expecting three to five new Alliance members in the next year.

Mr. Davis asked why the health insurance numbers were so different.

Ms. Brown stated that there might be overlap with a new employee prior to the retirement, and family coverage is estimated, although family coverage may not be selected.

Mr. Davis asked if the Workforce Development Grant rolled back into the cash carryover.

Ms. Knisley replied that it did.

Mr. Davis asked why there was \$65,000 for Workforce Development.

Ms. Brown stated it was basically \$100,000 minus the \$35,000 for the Port Authority, but that the Port Authority allocation did not show up in the Economic Development budget. Also, the \$65,000 would likely be sufficient and realistic for the plans of 2015.

Mr. Davis stated he did not feel there was a need for another hearing with Economic Development.

The hearing closed at 10:58 a.m.

Review

The Commissioners met at 10:58 a.m. to \ review legal issues and pending or future action items and correspondence. Commissioner Kiger called the meeting to order with the following Commissioners present: Steven Davis, Mike Kiger, and Dave Levacy. Also present were Carri Brown, Staci Knisley, and Rachel Elsea.

The Commissioners continued to discuss general aspects of the budget and carryover cash.

Ms. Brown stated that if the Commissioners were to receive the signed Meals on Wheels contract by Monday it would be on the voting agenda for Tuesday. Additionally, there will be a resolution regarding policy related to the Affordable Care Act. She will send a draft out this weekend.

Mr. Kiger stated that once the Sheriff's Office moves to the new location he would like to see two new deputies at the Hall of Justice.

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Budget Hearing – Dog Shelter

The Commissioners met at 11:21 a.m. to discuss the Dog Shelter's 2015 Budget Request. Commissioner Davis called the meeting to order with the following Commissioners present: Steve Davis, Mike Kiger and Dave Levacy. Also present were Carri Brown, Rachel Elsea, Staci Knisley, and Todd McCullough.

Mr. McCullough distributed packets of his presentation (see attached) and reviewed the contents.

Mr. McCullough stated the Dog Shelter has a healthy Special Revenue Fund and healthy carryover. They only change from last year is a change in the on call policy which changes from a weekly per diem to an hourly wage (which is included in the yearly wage). Expenditures for 2015 are expected to exceed revenues in order to bring the Dog Shelter back up to speed in operations. They are not doing this lightly and are being extremely careful and cautious. This is the last year they expect the expenditures to exceed revenues.

Mr. Davis asked if they expected minimal impact from the 3 year and lifetime tags.

Mr. McCullough stated that was correct and that they expected minimal changes to the new law as well that allows for the sale of 3 year and lifetime tag year round (with the extra fee built in).

Mr. Davis asked what the projected revenue for 2015 was.

Mr. McCullough replied that the expected revenue for 2015 was \$371,000. They expect \$521,000 in expenses and will have a roughly \$512,000 carryover for 2014. The carryover at the end of 2015 is expected to be around \$290,000. Mr. McCullough stated that he would confirm these numbers because the MUNIS reports indicated expenditures for 2015 in excess of revenues at \$221,000, which is about \$71,000 more, The carryover is being carefully monitored.

Mr. Levacy asked what the capital outlay was.

Mr. McCullough stated an example would be the \$11,000 for security as well as the vaccinations for dogs (as fees had not yet been increased).

Mr. Davis asked if the building blueprint was adequate for where the Dog Shelter ought to be.

Mr. McCullough responded that it was not and that the plan was to use low internal financing to allow for the changes necessary. His assurance in running down the carryover is based on relying on experts and logic. Mr. McCullough has spent the last

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year trying to eliminate liabilities and is now working to make sure things are done the correct way.

Mr. McCullough also went over the euthanasia rates (details are in the packet). The current rate for 2014 is 10% with 35% of those being euthanized having been turned over by their owners. They have not put down any dogs purely related to population control. In other words, if the euthanasia rate was calculated based on overpopulation, as it is in some areas, it would be 0%.

Mr. Davis appreciated Mr. McCullough's preparedness and added that he is doing a great job.

Mr. McCullough added that Fairfield County is below the average tag prices (at \$12 compared to the average of \$15) and also above the average number of tags purchased (at 17% compared to the average of 12%). This is something that is being examined.

Mr. Kiger asked if the dog food is being inventoried.

Mr. McCullough stated that it was and that they had adjusted their inventory process.

No follow-up Dog Shelter hearing is needed.

Budget Hearing – Juvenile/Probate Court

The Commissioners met at 1:11 p.m. to discuss the Juvenile/Probate Court's 2014 Budget Request. Commissioner Kiger called the meeting to order with the following Commissioners present: Steve Davis, Mike Kiger and Dave Levacy. Also present were Carri Brown, Rachel Elsea, Staci Knisley, and Judge Terre Vandervoort.

Judge Vandervoort distributed information regarding her request (see attached).

Judge Vandervoort reviewed the information including their guiding principles and 2015 priorities. The most significant change to the 2015 budget is the change in IV-E funding. This is a reimbursement formula based on federal regulations. She reviewed how the reimbursement formula works. Ohio has failed their first IV-E audit are pending a second audit. If the state fails that audit IV-E funding will be in jeopardy for Ohio. California and Texas have already lost funding. The Judge is proposing that the IV-E funding be used for foster care services that include rent at the Wilson Building as well as an additional contract already a work in progress. She added it is not wise to rely on IV-E funding for staff salaries specifically.

Mr. Davis asked if there was look back exposure and if so, what the risk of the spend down was.

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Judge Vandervoort replied that there could be look back exposure and that no spend down was required.

Ms. Brown stated that they expect a contact in 2015 between the Juvenile Court and JFS for case management that would qualify for IV-E dollars. Judge Vandervoort confirmed this.

Judge Vandervoort went on to say that with the information she has regarding IV-E funding she has cut her workforce by 25% and closed Crossroads while transitioning to the Gales Learning Center. The Gales Learning Center has been beneficial to all as it saves money and blends schools. She has removed all employees from the IV-E line item and instead is aggressively seeking grants to offset local costs.

Mr. Levacy asked if they were seeing results from the Gales Learning Center.

Judge Vandervoort stated that coordination was better and there were fewer discipline issues.

Judge Vandervoort went on to say her 2015 budget is "barebones". Her proposal meets the public safety needs while providing minimal services. The potential change in IV-E funding moved those employees to the general revenue fund.

Mr. Davis asked if the court appointed fees were legitimate and if they would be adequate.

Ms. Brown replied that this year they were closer to \$500,000 but that Leanna Schaefer and she had been in contact. It is possible that there is a one-time increase in court appointed attorney fees based on a back-log that was addressed. This needs to be examined, as the line item should be increased if the expense is predicted to be higher for 2015.

Judge Vandervoort stated she would follow up on that.

Mr. Davis also asked that if the Commissioners were to ask for the three Juvenile accounts to be reduced by \$100,000 collectively could it be done and what would the impact be. He added that they were not making demands, rather trying to understand the impact.

Judge Vandervoort started that the Juvenile Court is trying to be transparent and that she feels looking forward ten years the GRF will need to grow its contribution to the Juvenile Court in order for the court to be effective. She stated 2015 would be very important for the court and Commissioners in monitoring trends to see where the need really is. She will go back and really analyze their request further. She is not going to ask for anything that isn't truly needed for the program.

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No follow-up hearing is necessary. Reporting back to staff is sufficient.

The hearing concluded at 1:58 p.m.

Budget Hearing – Common Pleas Court

The Commissioners met at 1:58 p.m. to discuss the Common Pleas Court's 2015 Budget Request. Commissioner Kiger called the meeting to order with the following Commissioners present: Steve Davis, Mike Kiger and Dave Levacy. Also present were Carri Brown, Rachel Elsea, Staci Knisley, Judge Chris Martin, Judge Richard Berens, and Magistrate Susan Eyerman.

Judge Berens stated that they were requesting to move one community control officer to the general fund.

Judge Martin explained that in back in 2006 there was a need for one more community control officer and that the county did not have the funds in the GRF to pay for that. The Commissioners agreed to let the court use special use money for that position (the fund is generated by court costs). The fund is used for other purposes as well and the judges do not want to raise court costs to replenish the fund. They will not have enough money in the fund next year to pay for the community control officer.

Judge Berens stated there were roughly 1,200 individuals on community control compared to 500 when he took the bench in 2003. They try to be conservative with their staffing numbers. He added that they are also asking to implement a compensation plan for the community control officers. He distributed a comparison chart (attached). The chart shows that the court is not keeping up with market values for probation officers. This plan would greatly help with retention.

Mr. Davis asked what the anticipated annual cost would be.

Judge Berens stated it would be \$11,000 in salary costs assuming everyone received the 3% increase.

Judge Martin added that they budgeted for everyone at 3% knowing it could only go down.

Ms. Brown asked what the bump in supplies represented.

Magistrate Eyerman stated that they must now pay for their law books which are rather costly.

Ms. Brown also asked about the increase in transcription costs.

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Magistrate Eyerman stated that while they anticipated more major trials this year that didn't take place, they have been told to expect another \$15,000 to be paid out this year.

No follow-up hearing is necessary.

The hearing was concluded at 2:21 p.m.

Budget Hearing – Utilities

The Commissioners met at 2:23 p.m. to discuss the Utilities Department's budget review. Commissioner Kiger called the meeting to order with the following Commissioners present: Steve Davis, Mike Kiger and Dave Levacy. Also present were Carri Brown, Rachel Elsea, Staci Knisley, and Tony Vogel.

Mr. Vogel presented his review via a PowerPoint (see attached). His presentation included a budget review and a billing review.

Budget Review

Ms. Vogel noted that the only budget change was a 3% increase for employees (excluding himself) based on the existing comp plan. He reviewed the sewer budget proposal and noted that the debt service would decrease by roughly \$100,000. He also reviewed the water budget proposal and stated that debt service would only drop off roughly \$50,000.

Mr. Kiger asked if building plans could be dropped off in Lancaster.

Mr. Vogel stated that they were to be dropped off at the Lockville Road location as that is where the staff is and typically the individuals dropping off the plans had questions. There could always be special arrangements made on a case by case basis.

Mr. Vogel reviewed the goals and objectives as well as the planned projects.

Mr. Davis asked if the Tussing Road plan would pass along the costs to the customers (should they lose the Supreme Court case).

Mr. Vogel stated they could do it either way and that a majority of the customers were serviced through that plant.

Mr. Vogel reviewed the news of note.

Mr. Levacy asked if they considered incentivizing the comp plan to a higher degree.

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Mr. Vogel stated they were doing a comp plan to see where they fell in terms of other counties. They want to be competitive but also don't want to be the top paying employer. They have strong managerial practices in place that are motivating for employees. Ms. Brown noted that they could also coordinate with the county's comp plan research this year.

Potential Changes to Billing

Mr. Vogel stated that it made sense now to make the change as only 10% of the customers are sewer only users (compared to the previous number of 25%). Sewer only customers were to remain at a flat rate until they become water customers. The three proposals were to: stay at the current flat rates, decrease the flat rate while increasing the cost per gallon, or increase the flat rate and decrease the cost per gallon by comparison. The proposals are all revenue neutral.

Mr. Davis asked what the bills in the first proposal looked like with an extra \$5,000,000 in debt.

Ms. Vogel replied it was roughly \$200,000 a year and spread across the customers would be about \$2.50 a month.

Mr. Vogel recommended proposal number two (of the two changes, as opposed to the status quo) as the customer spread wasn't as wide. He needs guidance by the second week of November in order to coordinate with MUNIS processes.

Mr. Davis agreed that proposal two was easier to swallow than number one. He added that they needed to think about the timing as well with the pending EPA case. Proposal number 2 in the near term makes a lot of sense. He asked for additional feedback from the Board, and commissioners agreed on the general direction. Commissioner Kiger reported that he had requests from customers to bill based on usage instead of a flat rate.

The hearing concluded at 3:11 p.m.

Adjournment

With no further business, on the motion of Dave Levacy and a second of Mike Kiger the Board of Commissioners voted to adjourn 3:11 p.m.

Roll call vote of the motion resulted as follows:

Voting aye thereon: Dave Levacy, Steve Davis, and Mike Kiger.

The next regular meeting for the Board of Commissioners is scheduled for Tuesday, October 28, 2014 at 10:00 a.m. with review session at 9:00 a.m. on the same day.

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Motion by:

Seconded by:

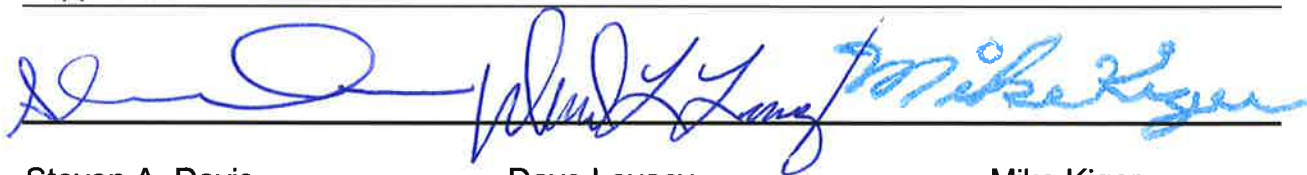
that the October 23, 2014 minutes were approved by the following vote:

YEAS:

NAYS: None

ABSTENTIONS: None

*Approved on October 28, 2013



Steven A. Davis
Commissioner

Dave Levacy
Commissioner

Mike Kiger
Commissioner



Rachel Elsea, Clerk