

Steuben County Council
September 2, 3 and 4, 2015
Continuation of Regular Budget Hearings and Workshops for
The Steuben County 2016 Budget
Day 1

President Richard Shipe reconvened the Steuben County Regular Meeting for the 2016 Budget Hearing and Workshop at 8:00 AM to 4:45 PM on Wednesday September 2, 2015. Present were, Richard Shipe, Ruth Beer, Jim Getz, Dan Caruso, Wil Howard, Kenneth Shelton and Linda Hansen. Also present was County Auditor and County Council Secretary, Kim Koomler and her Chief Deputy Auditor, Lori Hickey.

Council read for the second time the 2016 Steuben County Budget. Council members discussed their options with regard to limiting the amount of money being budgeted for the health insurance plan for 2016. Council agreed that the issues should be discussed with the Commissioners prior to making any changes to the funding. Council will recommend that the Commissioners look at cost savings for future years. In detail, Dan Caruso commented that this year we probably need to discuss considering adjusting the employer contribution and deductible levels on the insurance plan. For the sake of sustainability, Caruso would like to make those as small and incremental and as easy a transition as possible and hopefully we may be able to determine that we can give a raise across the board. With a little bit of give and take I think we need to start moving in that direction. Ruth Beer stated that she would like to give everyone a raise this year before we start looking at elevating specific individual positions or consider making incremental changes to our health insurance plan. Wil Howard stated that from a percentage standpoint any incremental raise in deductibles is going to have a greater effect at the lower end of the pay scale than it is at the higher end. Council discussed their options with funding the CAGIT Health Insurance budget. The Commissioners are asking for 2.3 million dollars for 2016. This year we budgeted 1.6 million. Koomler explained that she increased the budget line due to the bad claims experience the county has had in 2015. Linda Hansen stated that we may not have such a poor claims experience next year so we could decrease the appropriation and require the commissioners to request additional funds if they deplete this fund. Wil Howard said the council could restrict the funding and force the commissioners to take a look at the insurance plan for cost savings. Dan Caruso said he would prefer to not restrict the funding but have a discussion with the Commissioners to reduce costs. The Auditor advised council that she has already approached our agent to see what options they can recommend to us to save money. Koomler said she requested price quotes from USI on increased deductible scenarios and will have numbers for the Commissioners to review in October or November. Caruso asked if these options include a decrease in the employer contribution. Koomler stated that the Commissioners have to direct her to change those numbers and that would be an internal budget item adjustment which doesn't affect the insurance company pricing. That is an option the commissioners have yet to request.

Dan Caruso asked everyone for their thoughts on giving a 2% increase across the board. Jim Getz stated he would agree to a percentage increase. Getz stated that we have handled any disparities on a case by case basis through this year and could do the same for 2016 if needed. Linda Hansen reminded council of how the mechanics of how the salary study works. Hansen said you can say you want to give 2% but if you do that then you effectively are undoing the salary study. The salary study is based on a solid number for where people are in the grid. So if we say 2% we will have a number increase all over the board. You are basically making the salary study go away. Hansen advised council that they need to do this one way or the other. Step increases plus a certain amount of money to put on the grid or percentages across the board and the salary study goes away. You can't do it both ways the salary study won't sustain itself when everybody has a different salary. The study is based on level of experience vs number of years served. Caruso commented that if we add the same amount to the grid for everyone then those making higher wage get a lower % increase than those on the lower end of the grid. Hansen agreed and stated this is the problem with the study since day one. We need to stay consistent with the salary grid if we are going to keep it. Caruso asked what set amount Hansen would like to add to the grid? Hansen said \$500.00 would be an increase of \$20.00 per pay for every employee. If we allow the natural steps plus \$500.00 then everyone will receive a pay increase in 2016. Jim Getz stated that he would like to see \$75.00 per month per employee. Hansen stated that if we add \$1000.00 to the grid then we should also work in an increase in the health insurance deductible amount. Rick Shipe voiced concerns that if the county doesn't modify their health insurance then the county will have to pay a penalty to the government for having a Cadillac plan. This is the main reason for the commissioners to be looking at plan changes in the near future. Jim Getz stated that he wants to see council settle on a number amount for everyone in addition to their step increases. Dan Caruso said this goes back to a two-year old conversation on what controls as far as about empowering our department heads to from an HR standpoint and on many levels to have every incentive to make sure everyone in their department is productive and efficient.

Ruth Beer asked if we are happy with the steps plus the \$500.00 increase for the employees and to work hand-in-hand with our commissioners to try to reign in our insurance costs. Caruso said he would propose \$1,000.00.

Linda Hansen stated that we can start it with the \$500.00 in place until we have cut \$1,000,000.00 off the budgets. This still gives us some flexibility knowing that if we may be able increase it to \$1,000.00 if the money is there. Council members agreed to work in that direction. Council agreed that there will be no new employees added in 2016. Council agreed to plug a \$500.00 increase plus steps and work the remainder of the budget line items to see where they stand. Motion to continue regular budget workshops to 8:00 AM Thursday, September 4th was made by Linda Hansen, seconded by Ruth Beer and the motion carried with seven (7) ayes.

Regular Budget Workshops
Continued – Day 2

Continuation of Regular Budget Workshops 8:00 AM, September 3rd, 2015: Present were, Richard Shipe, Jim Getz, Dan Caruso, Wil Howard, Ken Shelton, Linda Hansen and Ruth Beer. Also present was Kim Koomler, Auditor and Lori Hickey.

Council members continued their review of the 2016 proposed budget. During discussion, they determined there will be no new positions.

Commissioner Liechty was present during the health insurance discussion. Council members asked Ms. Liechty to investigate cost saving options for the county health insurance plan including increased deductibles and possible increased employee contributions. James Crowl was also present for additional discussion regarding the health insurance cost saving efforts.

Jim Getz brought attention to the Board of Aviation budget and cuts that were made the previous day. Getz wanted to make sure the commissioners were aware that council had cut the Aviation budget by \$36,000.00 from the FBO's contractual agreement line item.

County Council agreed to pull the funding from the Surveyor's Chief Deputy for 2016 and require the Surveyor to request an additional appropriation if and when he is ready to fill the position.

Council addressed the Supplemental Public Defender request for a \$500.00 increase for his part time help line item. Council determines that they don't want to allow part-time help increases. Council also determined they will allow for a \$250.00 increase for each of the public defenders (9) positions total.

Council members discussed a special request made by the County Commissioners to elevate the Annex Maintenance/Custodian position from a LTC A to LTC B. Commissioners based their request on the higher level of responsibility of the position Council approved the position classification change. County Auditor assured council that the Personnel Committee will be meeting to modify the job description to match the new classification.

Wil Howard made a motion to continue the budget workshops to Friday, September 4th, at 8:00 AM. Ken Shelton seconded and the motion carried with seven (7) ayes.

Regular Budget Workshops
Continued – Day 3

Continuation of Budget Workshop, September 4th, 2015. Present were, Richard Shipe, Jim Getz, Dan Caruso, Wil Howard, Ken Shelton, Linda Hansen and Ruth Beer. Also present was Kim Koomler, Auditor and Lori Hickey.

Kim Johnson, County Assessor was present for council's discussion of the Assessor's mandatory certification pay. Johnson explained that she is required by law to have the certification in order to get and keep her position as county Assessor. Johnson said her employees also have the opportunity to become certified assessors. Johnson stated that gives her the assurances that when she has to leave for any reason, she knows the office will be covered by well-trained staff that can function without her if necessary. Johnson said that if council doesn't approve the extra pay stipend then the training also goes away which puts the office at risk of not having highly trained staff. Linda Hansen said the State of Indiana has created a dilemma for the county. Council has to figure out how to present this in such a way that we meet the statutory requirements without taking away our responsibility, which is to set the number and to set the salary in our ordinance. We have to get this right so we don't have this coming back at us in the future. Kim Johnson explained that the General Counsel for the DLGF has stated that the original \$500.00 stipend to remain and can be grandfathered in as a stipend and not a part of the salary. Rick Shipe asked for Kim's explanation of the new mandatory certification pay that goes into effect in 2016. Johnson said level 3 provides for an additional \$500.00 for a Deputy, and level 3 also provides for an additional \$1,500.00 for an Assessor. According to DLGF this money is to be added to the employee's salary and paid out over the course of a year in each paycheck. Prior to that, the original code has been in effect for 8-10 years and is paid as a stipend. The level 2 girls will not change in that they will receive only the additional \$500.00. Linda Hansen stated if we have to set a base pay for them and if we find out the certification pay must be in the salary ordinance, then we have no choice but to take them off the pay grid. Council must follow this new language to make sure we are compliant. Hansen also stated that this isn't personal and we have to treat everyone equally within our pay grid.

Wil Howard suggested that council leave the established certification adjustments alone and pay them as we have in the past as a stipend. We would leave everyone's salary base the same, the only thing we would really need to establish is something for an Assessor with a Level II and an Assessor with a Level III. We already have the base pay established within our salary study. Dan Caruso suggested that council move the mandated certification into the reassessment fund rather than paying from the county general assessor budget. The mandatory certification cannot be a stipend and must be a part of the base pay.

Linda Hansen made a suggestion to council that when all of the salaries were created years ago, Kim Koomler was the first Auditor to experience the \$1,000.00 and \$2,000.00. That was added to the Auditors pay for her duties as secretary to both boards. When the commissioners hired their secretary, the auditor's pay was reduced by \$1,000.00. Hansen said that whatever we decide to do with the Assessor's pay, we need to tack on to the

Auditor's pay an additional \$1,000.00 to make sure she is compensated over and above for what we know require incredible qualifications. Let's do what we need to do in order to comply, let's just make sure the Auditor is paid \$1,000.00 more to acknowledge the fact that she is doing \$1,000.00 more hard labor when it comes to our department. Council agreed to fund the Reassessment Budget line item #1224-000-1000.08 for Mandatory Certification.

County Council created a new line item in their personal services category #1000.02 for Administrative compensation \$2,500.00 to pay the County Auditor. County Council also approved creating a new line item in their personal services category #1000.03 E/O Compensation Treasurer/Recorder giving an additional \$500.00 pay to the Treasurer and the Recorder to compensate them for their close coordination of functions with the Auditor's and Assessor's office.

No raises are being given to judges, prosecuting attorney and his chief deputy which is all the positions that receive the \$5,000.00 stipend salary from the county.

County Council suspended their Regular Budget Hearing & Workshops until their next regularly scheduled meeting on Tuesday, September 9, 2016.