

**FRANKLIN COUNTY COUNCIL MEETING & BUDGET ADOPTION  
MEMORANDUM & MINUTES  
Tuesday, October 25<sup>th</sup>, 2011 @ 7:00 PM  
COMMISSIONERS/COUNCIL PUBLIC MEETING ROOM 203**

Those Present: Council Members: Jeff Koch    Carroll Lanning    Jason Allen  
    Joe Sizemore    Daryl Kramer    Aaron Leffingwell    Hollie Maxie  
    County Auditor: Erica Hudson

Jeff Koch opened the meeting with the Pledge of Allegiance.

**MINUTES: Budget Hearings & September 20th, 2011-** MOTION – Hollie Maxie motioned to approve both sets of minutes; budget hearings and September 20<sup>th</sup>. Carroll Lanning seconds. AIF, MC.

**RESOLUTION 2011 – 37: Additional –**

		ADDITIONAL AMOUNT REQUESTED	ADDITIONAL AMOUNT APPROVED
FUND			
NAME:	Pros Attorney Pretrial Diversion		
	10000 Personal Services	\$7,500.00	\$0.00
	20000 Supplies	\$0.00	\$0.00
	30000 Services and Charges	\$0.00	\$0.00
	40000 Capital Outlay	\$0.00	\$0.00
<b>TOTAL for</b>	<b>Pros Attorney Pretrial Diversion</b>	<b>\$7,500.00</b>	<b>\$0.00</b>
FUND			
NAME:	E911 Landline		
	10000 Personal Services	\$0.00	\$0.00
	20000 Supplies	\$0.00	\$0.00
	30000 Services and Charges	\$30,000.00	\$0.00
	40000 Capital Outlay	\$0.00	\$0.00
<b>TOTAL for</b>	<b>E911 Landline</b>	<b>\$30,000.00</b>	<b>\$0.00</b>
FUND			
NAME:	PHER H1N1		
	10000 Personal Services	\$0.00	\$0.00
	20000 Supplies	\$0.00	\$0.00
	30000 Services and Charges	\$0.00	\$0.00
	40000 Capital Outlay	\$7,180.00	\$0.00
<b>TOTAL for</b>	<b>PHER H1N1</b>	<b>\$7,180.00</b>	<b>\$0.00</b>
FUND			
NAME:	Local Road & Street		
	10000 Personal Services	\$0.00	\$0.00
	20000 Supplies	\$40,000.00	\$0.00
	30000 Services and Charges	\$0.00	\$0.00
	40000 Capital Outlay	\$0.00	\$0.00
<b>TOTAL for</b>	<b>Local Road &amp; Street</b>	<b>\$40,000.00</b>	<b>\$0.00</b>
FUND			
NAME:	Highway		
	10000 Personal Services	(\$28,000.00)	\$0.00
	20000 Supplies	\$0.00	\$0.00
	30000 Services and Charges	\$28,000.00	\$0.00
	40000 Capital Outlay	\$0.00	\$0.00
<b>TOTAL for</b>	<b>Highway</b>	<b>\$0.00</b>	<b>\$0.00</b>

MOTION – Carroll Lanning motioned to approve resolution 2011 – 37. Daryl Kramer seconds. AIF, MC.

**RESOLUTION 2011 – 39: Transfers –**

<b>FROM:</b> Co Gen- Dispatchers	\$1,473.00	
100-150-4145.00		
<b>TO:</b> Co Gen- Service Agreement		\$1,473.00
100-150-4370.00		
<b>FROM:</b> Co Gen- Dispatchers	\$1,200.00	
100-150-4150.00		
<b>TO:</b> Co Gen- Office Supplies		\$1,200.00
100-150-4210.00		
<b>FROM:</b> Wireless- Longevity	\$180.00	
1156-000-4158.02		
<b>TO:</b> Wireless- Travel		\$180.00
1156-000-4321.00		
<b>FROM:</b> Co Gen- Dispatchers	\$500.00	
100-150-4145.00		
<b>TO:</b> Co Gen- New Equipment		\$500.00
100-150-4440.00		

<b>FROM:</b> E911 Landline- Service Agreements 248-000-4370.00	\$8,000.00	
<b>TO:</b> E911 Landline- Extra Help 248-000-4120.00		\$8,000.00
<b>FROM:</b> E911 Landline- Service Agreements 248-000-4370.00	\$3,000.00	
<b>TO:</b> E911 Landline- Comp/Overtime 248-000-4199.00		\$3,000.00
<b>FROM:</b> Co Gen- Jail (Custodian Maintenance) 100-132-4170.00	\$2,500.00	
<b>TO:</b> Co Gen- Jail (Contractual Services) 100-132-4313.00		\$2,500.00
<b>FROM:</b> E911 Landline- Communications Coordinator 248-000-4111.00	\$24,278.50	
<b>TO:</b> E911 Landline- Telephone 248-000-4322.00		\$24,278.50
<b>FROM:</b> Co Gen- Commissioners (Detained Juveniles) 100-130-4368.00	\$1,509.00	
<b>TO:</b> Co Gen- Commissioners (Hepatitis Shots) 100-130-4240.00		\$1,509.00
<b>FROM:</b> Co Gen- Computer Maintenance 100-109-4362.00	\$1,200.00	
<b>TO:</b> Co Gen- Equipment 100-109-4440.00		\$1,200.00
<b>FROM:</b> Treasurer- Association Dues 100-103-4390.00	\$43.00	
<b>TO:</b> Treasurer- Equipment 100-103-4440.00		\$43.00
<b>FROM:</b> Election- Election Judges 0102-000-4344.00	\$1,500.00	
<b>TO:</b> Election- Absentee Board 0102-000-4191.00		\$1,500.00
<b>FROM:</b> Co Gen Clerk- Office Supplies 100-101-4210.00	\$65.00	
<b>TO:</b> Co Gen Clerk- Equipment 100-101-4440.00		\$65.00
<b>FROM:</b> Co Gen Extension- Program Assistant 100-123-4317.00	\$740.00	
<b>TO:</b> Co Gen Extension- New Equipment 100-123-4444.00		\$740.00
<b>FROM:</b> Co Gen SAC- Supplies 100-129-4224.00	\$300.00	
<b>TO:</b> Co Gen SAC- Other Services & Charges 100-129-4367.00		\$300.00
<b>FROM:</b> Co Gen EMA- Telephone 100-146-4322.00	\$200.00	
<b>TO:</b> Co Gen EMA- Mileage 100-146-4226.00		\$200.00
<b>FROM:</b> Tower Maintenance- Equipment Repairs 1155-000-4368.00	\$305.00	
<b>TO:</b> Tower Maintenance- Misc. Operating Supplies		\$305.00

1155-000-4220.00

**FROM:** Highway- Garage Mechanic \$23,000.00

201-200-4183.00

**TO:** Highway- Truck Repairs \$23,000.00

201-200-4358.00

**FROM:** REX- Rental of Equipment \$201,500.00

2469-000-4361.00

**TO:** REX- New Equipment \$201,500.00

2469-000-4440.00

**FROM:** Highway- Utilities \$800.00

201-100-4350.00

**TO:** Highway- Office Supplies \$800.00

201-100-4210.00

**FROM:** REX- Bituminous \$15,800.00

2469-000-4238.00

**TO:** REX- New Equipment \$15,800.00

2469-000-4440.00

MOTION – Aaron Leffingwell motioned to approve Resolution 2011 – 39. Jason Allen seconds. AIF, MC.

**RESOLUTION 2011 – 41: Health Department Loan-** Becky Oglesby (Treasurer) wanted to know why this is a reoccurring situation with the Health Department and also questioned the amount. Jeff Koch explained that this has been an ongoing resolution for many years and at one point it reached over \$65,000. Erica Hudson (Auditor) explained that this resolution occurs two times annually and is always reimbursed during June and December settlement. MOTION – Joe Sizemore motioned to approve Resolution 2011 – 41 for \$40,000. Hollie Maxie seconds. AIF, MC.

**ORDINANCE 2011 – 21 (Standard), 2011 – 22 (Sheriff), & 2011 – 23 (Highway): PERSONNEL POLICY AMENDMENTS-** Daryl Kramer explained that the amendments are mentioned in the September 20th minutes. Scott McDonough explained that the policy for the highway is set at the 160 comp hours; but limited to 40 hours of approval per usage. Council reached a consensus that this is a policy which is ultimately the Commissioners obligation and therefore Council does not foresee any discrepancies. Hollie Maxie commented that the salary ordinance defines personnel as well as salaries. MOTION – Aaron Leffingwell motioned to approve Ordinances 2011 – 21 through 2011 – 23 in reference to the personnel policy amendments. Daryl Kramer seconds. Abstain (1) - Hollie Maxie. AIF (6), MC.

**HOMESTEAD FRAUD REDEMPTION: SRI (Claire Schaler) -** Claire presented Council with a detailed portfolio on homestead fraud and the redemption process. Claire stated that the Commissioners signed a contract to allow the Auditor's office to investigate possible fraudulent exemptions/deductions within the county; the contract was signed in September. The State has mandated redemption from unlawful deductions per IC 6– 1.1 – 36 – 17. This law mandates the Auditor to investigate and determine fraudulent claims. The state also mandates a statutory fund which is also known as a non-reverting fund per IC 6 – 1.1 – 36 – 17(c) which is to be treated as miscellaneous revenue, but also appropriated by Council. The Auditor's ineligible deductions fund (non-reverting fund) will receive 69%, SRI collects a fee of 30%, and the state receives 1%. Claire mentioned that other states are going back 10 years with a 50% penalty fee; however Indiana is only seeking three years with a 10% penalty fee. Currently SRI is sending the Auditor's office 25 suspected fraudulent exemptions/deductions per week to investigate. Claire explained that a list is generated, investigated, and determined for the soft notice. The soft notice simply requests proof of residency for the homestead exemption/deduction which can be provided through a driver's license or an income tax return. After 30 days a demand notice is sent with the amount owed including the civil penalty fee of 10% and the individual has 30 days to satisfy the balance. If the balance is not satisfied after 30 days, it is added to the property taxes for the following fiscal year. If the balance is not satisfied on the property taxes then the property goes up for tax sale. Claire also mentioned that this fund may not determine the Auditor's budget. Becky Oglesby (Treasurer) felt that the redemption funds should either be reflected in county general or according to the taxing unit for which the fraud was committed. There are currently 6,671 Homestead deductions claimed in Franklin County and there are 600 determined for investigation. The potential sum of back taxes owed from 2008 through 2011 is \$1,445,127.58. The yearly collection rate for invalid homesteads is 61%. SRI utilizes 15 reference codes to determine an ineligible homestead deduction. Carroll Lanning wanted to know what the Auditor can utilize the fund for. Claire stated that there are many uses defined within the code including office supplies to software. Jeff Koch wanted to know when revenue could be expected. Claire stated that within the month of December approximately \$130,000 could be anticipated; this depends on ineligible deductions in payment to the Auditor's office. Becky Oglesby felt that this was just another collection agency and the results would not be as anticipated. Claire commented that SRI is not a collections agency. Becky was also concerned about legalities for ineligible deductions for deceased individuals or sold property. Claire explained that those were questions that the State of Indiana or the legal staff at SRI would have to answer.

**FINANCIAL SOFTWARE: Auditor-** Erica Hudson explained that Council tabled this discussion and her intentions are to utilize the homestead fraud redemption to purchase LOW financials for her office. Becky Oglesby (Treasurer) stated that the county cannot afford new software and she is not in favor of switching. Erica explained that it is vital for the fund conversion, budget process, and annual report to switch providers. An employee from the Auditor's office was present and commented that the current software provider (Harris) is a fine for day-to-day functions but the software is not capable of providing the office with the adequate support required to function for State-mandated reports. Erica also stated that LOW has been in business for over 20 years and has never lost a customer. Council reached a consensus that once the Auditor collects enough to purchase the new software they would be in favor of utilizing the non-reverting funds at that time.

**ECONOMIC DEVELOPMENT APPOINTMENT-** Scott McDonough stated that the Commissioners would like to consolidate several boards in the County and they reached a consensus that they would be the appropriate board for Economic Development. Dennis Kolb commented that the board is made up of volunteers and he feels that there are control issues involved. Carroll Lanning wanted to know if this would reduce the budget. Scott McDonough was not sure if it would but they could review the issue. Carroll Lanning also wanted to know why the Commissioners would ask for more work. Thomas Wilson stated that this would not add extra work to the Commissioners. Jeff Koch stated that it would not impact the budget because it is reflected from EDIT funds and the volunteers are not paid. Scott McDonough also commented that the EDIT fund is capped and the Commissioners answer for what is going on with Economic Development. Scott also commented that the Commissioners would like to start minimizing volunteer boards and then review budgeted boards. Carroll Lanning stated that there are meetings associated with the Economic Development Board and this would create extra work. Scott stated that the Commissioners are contacted anyway. Jason Allen commented that the board was created to incorporate experienced individuals. Carroll Lanning stated that the board was designed to create industry and he is not sure if the Commissioners have the knowledge or the time. Carroll also felt that things are going well with the board in place and he cannot see any reason

to change it. Thomas Wilson commented that Frank Thompson reports to the Commissioners. Aaron Leffingwell wanted to know if Frank wants the structure of the board to change and if there are issues that require the board's structure to change. Hollie Maxie felt that the County should be more concerned with the economy and not board structures. Dennis commented that the accountability will continue to remain with the Commissioners and Council. Dennis also commented that he doesn't want the board to change every time there's an election. Jason Allen had a conversation with Ed Derickson and there is no need for another Real Estate agent because Dennis is a Real Estate agent for Remax. Carroll Lanning stated that it is not time for changes. Daryl Kramer commented that he is familiar with all the candidates and he recommends Jim Black. Daryl also commented that to provide Frank was more freedom would be to eliminate the board and to maintain control would be to keep the board. Hollie Maxie stated that the same discussion happened in 2008 to 2009. Hollie also suggested that the candidates should come before Council at the next regular meeting. Jason and Carroll were in favor of keeping the board. Jeff wanted to know if the board interferes with Economic Development. Dennis stated that everything was discussed during meetings and they've never held Frank back. Brian Patterson (candidate) stated that he has been involved for several years with Economic Development and this is all about the right person that has compassion and will market the community. Brian stated that he has obtained his Economic Development certification on his own terms however he will not be upset if he is not appointed to the position. Brian feels that every candidate would be beneficial to the board. MOTION – Joe Sizemore nominates Jim Black. Daryl Kramer seconds. Opposed (1) - Carroll Lanning. Abstained (1) - Hollie Maxie. AIF (5), MC. Hermine Niesz stated that she has never met Ed or Jim and she participates in the meetings very frequently.

**REQUEST TO HIRE: Treasurer-** Becky Oglesby stated that she did not request to be put on the agenda. Erica Hudson (Auditor) stated that there is a hiring freeze in effect and any department seeking employment (part-time or full-time) is required to go before Council prior to hiring. Erica commented that she seen an e-mail sent out by the Treasurer and passed it along Council; and also put it on the agenda. Becky stated that she thought the hiring freeze had been rescinded. Aaron Leffingwell wanted to know if Becky was hiring or not. Becky confirmed that she would like to hire one part-time position. MOTION – Carroll Lanning motioned for the Treasurer to hire one part-time position. Hollie Maxie seconds. AIF, MC.

**FRANKLIN COUNTY POLICE RETIREMENT PLAN-** MOTION – Carroll Lanning motioned to approve the Police Retirement Plan. Aaron Leffingwell seconds. Abstained (1) - Hollie Maxie. AIF (6), MC.

ADJOURN – MOTION – Hollie Maxie motioned to adjourn. Joe Sizemore seconds. AIF, MC.

Others Present:	Dennis Kolb	Thomas Wilson	Sharon Halcomb	Claire Schaler	Hermine Niesz
	Vicky Neeley	Bob Neeley	Scott McDonough	Becky Oglesby	

Note: Those names listed are spelled as correctly as possible due to the legibility on the sign in sheet.

AYE

Jeff Koch  
Jeff Koch  
Carroll Lanning  
Carroll Lanning  
Jason Allen  
Jason Allen  
Joe Sizemore  
Joe Sizemore  
Daryl Kramer  
Daryl Kramer  
Aaron Leffingwell  
Aaron Leffingwell  
Hollie Maxie  
Hollie Maxie

NAY

Jeff Koch  
Jeff Koch  
Carroll Lanning  
Carroll Lanning  
Jason Allen  
Jason Allen  
Joe Sizemore  
Joe Sizemore  
Daryl Kramer  
Daryl Kramer  
Aaron Leffingwell  
Aaron Leffingwell  
Hollie Maxie  
Hollie Maxie

ATTEST: Erica Hudson  
Erica Hudson, Franklin County Auditor