

WABASH COUNTY COUNCIL MEETING

The Wabash County Council met in session on Monday, April 25, 2016 in the Commissioner's Meeting Room of the Wabash County Courthouse. Chairman Mike Ridenour called the meeting to order at 5:00 P.M. Seven Council members were present: Ridenour, Randy Curless, Claude Markstahler, Bill Ruppel, Jeff Dawes, Matt Dillon, and Kyle Bowman. Markstahler opened with a word of prayer and Ridenour led in the Pledge of Allegiance. The proceedings of the meeting were recorded by the County Auditor's office.

Chairman Ridenour requested that those present silence their cell phones and stated that all public comments regarding agenda and non-agenda items are permitted and encouraged.

The first order of business was to approve the minutes of the March 28, 2016 meeting. Ruppel made a motion to approve the minutes with two revisions that had already been corrected. Dillon seconded the motion and it passed by a 7-0 vote.

Chairman Ridenour stated the need to understand the one-time "LOIT 2016 Special Distribution" as a result of Senate Enrolled Act 67 passed by the Legislature to be distributed to all government units that have a positive trust account maintained by the State under the local income tax. He explained that LOIT revenue is raised at the local level but held by the State in reserve until the Trust Fund for an individual unit equals 50% of that unit's annual LOIT revenue. Senate Act 67 distributes the Trust Fund balance as of December 31, 2015 and lowers the Trust Fund threshold to 15% in future years. The Auditor's office confirmed the total distribution for all governmental units of Wabash County will be \$4,474,847.65 with \$1,887,879.33 going to the County unit. The County's amount will be further divided into 75% (\$1,415,909.49) to be used for infrastructure, as specified in IC 6-3.6-9-17(h)(1)(A) and 25% (\$471,969.83) to be used for any purpose of the County and deposited into either the General Fund, a home-ruled fund, or the Rainy Day Fund. The LOIT Special Distribution to all taxing units must be completed before June 1, 2016. Commissioner Haupert suggested that the \$471,969.83 should be deposited to the General Fund and then there would be no need to approve a temporary loan to the General Fund to span the cash balance from May to June's property tax distribution. The Auditor's office confirmed that Council needs to designate to what fund they want the 25% deposited. Dawes made a motion to deposit the County's 25% LOIT revenue, \$471,969.83 into the Rainy Day Fund, and if needed somewhere else, it could be moved. Dillon seconded the motion and it passed by a 7-0 vote.

Present for the next part of the meeting was Christine Flohr, Director of Convention & Visitors Bureau of Wabash County. She distributed a packet of information to each Council member. She stated that when the tourism office

began work on the 2017 budget, focusing specifically on their marketing reach and target markets, the Convention and Visitors Bureau (CVB) drafted an “Expansion of Services Plan” that will enable the tourism office to meet the demands of attracting visitor spending from the target markets outlined by analytical data. She stated that the current Innkeeper’s Tax in Wabash County is 5% with the state maximum level at 7%. Flohr stated that even an increase in the tax to 7% would generate only an extra \$2,600.00 and that would not generate much impact. She reported that tourism is a significant economic driver on the annual economic impact study that is conducted by Rockport Analytics for the past three years and Google Analytics. This firm is used by the State of Indiana and numerous tourism offices across the state. She reported that tourism spending generated \$43.1 million in revenue for Wabash County the previous year. She said that the approximate \$20,000 current operating budget of the CVB doesn’t allow the CVB to capitalize on the identified markets per the analytical data. She stated that tourism is at a critical crossroads to expand and reach the markets they know have an interest, or it becomes stagnant and tourism is just maintained. She then reviewed the 3-year Marketing Action Plan of the CVB that includes an additional staff member as a brand marketing manager. She stated that promotional campaigns, continuing education and digital kiosks are also critical for 2017. She said that it is now necessary to request financial aid for promotional marketing from County Council and submitted the “Expansion of Services” plan for \$150,000.00.

Chairman Ridenour thanked and praised Flohr for the professionalism and passion that she has brought to the job that she’s been doing as Director of the Convention & Visitor’s Bureau. He also stated that the tourism data from Rockport Analytics seems to be a good investment and he understands that EDG has been assisting with this cost. He mentioned that during his first term as a Council member, he approved CEDIT budgets that had little to do with economic development, but because of budget restraints, the CEDIT money had to be used in this way. He often thought that CEDIT revenue should be largely used for economic development and it is important to be “true to the purpose of the tax”.

Ridenour made a motion to direct Flohr to work with the Auditor’s office to request an additional appropriation out of the Rainy Day Fund in the amount of \$75,000.00 for marketing research to be advertised for consideration at the May Council meeting. This would allow Flohr to get started with the promotional program by June 1 of this year. Council member Dawes stated that the tourism revenue figures really “jumped out” at him, especially the \$43.1 million in revenue that tourism spending generated for Wabash County and that for every \$1.00 spent on marketing, there should be a \$3.00 return on investment. Dawes seconded the motion made by Ridenour. Dillon stated that he has a conflict of interest and could not comment or vote. Curless asked that if Council approved money yet this year for the CVB expansion of services plan,

then when would Council members be able to see verified results? Flohr stated that she would need at least six months of data in order to verify measureable results. Curless proposed that if the \$75,000 would be approved, some of the money from the 25% LOIT special distribution could be deposited into the General Fund and then appropriated in order to avoid amending the Rainy Day ordinance again. Ridenour stated that he was not in favor of this and that he would rather amend the ordinance. Ruppel had questions regarding the accountability of the \$75,000 in either the General Fund or the Rainy Day Fund and suggested that a new account specifically for the CVB marketing plan would need to be created. Flohr agreed that transparency of this money is important and the CVB would be designating the funds specifically in their budget also. Ruppel also proposed that if any taxpayer money is approved for the CVB, the Council would need to have a representative on the CVB board because of the use of taxpayer money and for accountability of the expenses. Dawes asked to whom the new staff member, the Brand Manager would answer. Flohr stated that this person would answer to her, as the director. Markstahler stated that comparing the figures of what is spent with the figure that is returned to county is difficult to verify and even if tourism is tripled, it would not impact the operating CVB budget. A vote was taken on the motion and six (6) members voted in favor, with none against, but with one abstention from Dillon due to a conflict of interest.

The next order of business was to address the Additional Appropriation requests. Present for the request was Commissioner Barry Eppley.

ADDITIONAL APPROPRIATIONS
ORDINANCE #2016-85-04

WHEREAS, it has been determined that it is now necessary to appropriate more money than was appropriated in the annual budget; NOW, THEREFORE:

SEC. 1 Be it ordained by the Wabash County Council of Wabash County, Indiana, that for the expense of said county government and its institutions for the year ending December 31, 2016 the following additional sums of money are hereby appropriated and ordered set apart out of the several funds herein named and for the purposes herein specified, subject to the laws governing the same:

	<u>Amount</u> <u>Requested</u>	<u>Amount</u> <u>Appropriated</u>	AYE	NAY
COUNTY GENERAL FUND- #1000				
<u>GENERAL FUND - Commissioners</u>				
Exam of Records #1000-30890.0000.0029	\$20,000.00	\$6,000.00	6	2

Explanation: Per Commissioner Eppley: The account varies from year to year according to how much auditing is completed by the State Board of Accounts. The account was budgeted according to last year's amount knowing that an additional appropriation may be necessary to pay the expense. 2016 Budgeted amount equals \$16,000 of which \$1,021.00 remains in the account. County Auditor Conrad confirmed that the audit expense is deducted from the audited local governmental unit at the time of property tax distribution so that the County is reimbursed for the audit expenses invoiced by the State. Chief Deputy Auditor Shepherd stated that the state auditors are currently working on the audit for the third school district and could invoice the county yet this year for this expense. Commissioner

Hauptert and Eppley advocated appropriating the entire amount to save the time and expense of advertising additional appropriations later on. Upon review of the figures, the amount needed to date was less than \$6,000.

Ruppel made a motion to approve the request for an additional appropriation of \$6,000.00. Dawes seconded the motion and it passed by a vote of 6 Council members in favor and two Council members, Curless and Dillon opposed.

The next order of business was to address the Transfer of Funds requests. Commissioner Barry Eppley was present to explain the request.

TRANSFER RESOLUTION 2016-85-01

Whereas, it has been determined that it is now necessary to appropriate more money than was appropriated in the annual budget; NOW, THEREFORE:

SEC. 1 Be it ordained by the Wabash County Council of Wabash County Indiana, that for the expense of said county government and its institutions for the year ending December 31, 2016, the following sums of money are hereby transferred and ordered set apart out of the several funds herein named and for the purposes herein specified, subject to the laws governing the same:

SEC. 2 WHEREAS, it has been shown that certain existing appropriations now have unobligated balances which will not be needed for the purposes for which appropriated, it is further resolved that the following existing appropriations be reduced in the following amounts.

DECREASE: CEDIT FUND	Amount Requested	Amt. Approved	AYE	NAY
#1112-60100 Transfer of funds expense	\$24,052.41	\$24,052.41	7	0
INCREASE: GDI FUND				
#1158-05206 Transfer of funds revenue	\$24,052.41	\$24,052.41	7	0

Explanation: Per Barry Eppley, Drainage Board president: The request concerns the 1998 Urbana flooding drainage project when \$50,000.00 in CEDIT funds were approved by County Council to fund the project. Upon review, nine payments for \$50,000 each have been made to date, but the 10th payment was never made to the drain. The actual amount needed is only \$24,052.41, not another payment of \$50,000.00. The CEDIT Fund currently has over \$538,000 in cash available after 2016 budget appropriations.

Ruppel made a motion to approve the request. Curless seconded the motion and it passed by 7-0 vote.

Presented to the Wabash County Council, read in full and adopted this 25th day of April, 2016 by the above aye and nay vote.

The next order of business was the consideration of a temporary loan from the Cumulative Bridge Fund to the General Fund. Chairman Ridenour stated that the loan was necessary because of the not uncommon variables experienced by many counties due to the timing of expenses and cash flow balance at this time of year just before the distribution of June property and excise taxes. The resolution states that with the receipt of tax distribution revenue, the General Fund will pay back the loan to the Cumulative Bridge Fund before July 15, 2016.

**WABASH COUNTY COUNCIL
RESOLUTION 2016-85-02**

A Resolution Authorizing a Loan from the Cumulative Bridge Fund to the General Fund.

WHEREAS, the Wabash County Council has determined under authority of Indiana Code: 36-18-4, that it would be in the best interest of Wabash County to authorize a loan of the Cumulative Bridge Fund to the County General Fund due to an inadequate operating balance. Council has determined an emergency situation exists as timely payment of employee benefits and vendor claims is at risk;

NOW THEREFORE, as there are sufficient funds on deposit in the Cumulative Bridge Fund for current needs, this Council does hereby sanction a temporary loan not to exceed the amount of five hundred thousand dollars (\$500,000.00) from the Cumulative Bridge Fund to the County General Fund. Said appropriation is to be used for operating expenses of Wabash County. Per Indiana code 36-1-8-4, the Cumulative Bridge Fund must be reimbursed in the total amount of the loan made on or before July 15, 2016.

Passed by the Wabash County Council this 25th day of April, 2016.

Mike Ridenour (signed)
Randy Curless (signed)
Claude Markstahler (signed)
Jeff Dawes (signed)
William Ruppel (signed)
Matt Dillon (signed)
Kyle Bowman (signed)

Attest: Linda L. Conrad
Wabash County Auditor

Dillon made a motion to approve the temporary loan up to the amount of \$500,000.00 from Cum. Bridge to the General Fund. Dawes seconded the motion and it passed by a 7-0 vote.

No action was taken in regard to the unexpended balances from certain funds to the Rainy Day Fund. Chairman Ridenour stated that because of the 25% of the county's share of the LOIT special distribution monies in the amount of \$471,969.83 being deposited into the Rainy Day Fund, the figures require further study before transferring any balances from other funds.

Chairman Ridenour requested discussion of the remaining \$50,000 unexpended liability expense in the CEDIT Fund. He stated that over \$200,000 of the \$250,000 budgeted had been spent to date and that he would be in favor of the General Fund paying the remaining liability expense with a reduction of appropriation from the CEDIT Fund budget and an additional appropriation to the General Fund budget. He explained that at budget time last year, the County budget was not at the maximum levy by \$250,000, so some of the Sheriff and Jail expense was removed from the LOIT Public Safety budget and put back into the General Fund budget. He proposed a reduction of appropriations of some of the Sheriff and Jail expenses to offset the additional appropriation to the General Fund and those expenses could be paid by an additional appropriation to the budget of the LOIT Public Safety Fund. He

Ridenour stated that the liability expense should have been budgeted in the General Fund not out of CEDIT because it has nothing to do with economic development. He said that he is just proposing to pay the expenses from the appropriate funds. Ruppel stated that Council approved budgeted appropriations based on several factors at the budget hearings, so he could see no reason to make changes at this point. He proposed that this should be addressed this summer when considering the 2017 budgets with the intention of appropriating all expenses from the appropriate funds. It was the consensus of Council to address this at the 2017 budget hearings.

Ridenour reviewed the changes to the establishment or re-establishment of a Cumulative Fund as a result of Senate Enrolled Act 321-2016 being signed into law. He gave a copy to Attorney Downs and asked him to review it for discussion at the next meeting because of the possible consideration of Wabash County re-establishing the Cumulative Capital Development tax rate.

As a result of the previous Council meeting's discussion, Council members had received copies of Resolution #2010-85-06, the current policy to consider requests for abatement of either real property or personal property taxes. Chairman Ridenour proposed that the resolution should be amended to add the words "new and annual ongoing" in two places of the resolution in order for the Tax Abatement Committee to meet for a purpose, whether or not there are new abatement applications to review. Commissioner Givens, who is a tax abatement committee member stated that the EDG director should be supplying the Council with information about the tax abatement applicants and the compliance of existing abatements. Auditor Conrad stated that she spoke with EDG director, Keith Gillenwater and he had stated to her that he assisted the County Council with tax abatements in his former position as EDC director in LaGrange County. Council member Dawes, also a committee member agreed to contact Gillenwater to determine if he is willing to take the responsibility of researching and advising County Council regarding new and existing tax abatements. No changes were made to the existing resolution.

Council reviewed:

Auditor & Treasurer Financial Reports for March 2016

March 2016 Wabash County Solid Waste Management District Income & Expense Statement

With no other business to come before the Wabash County Council, the meeting was adjourned. The next meeting is scheduled for May 23, 2016.

The following individuals also attended the March 28th Council meeting:

**If any names are spelled incorrectly, we apologize.*

Chief Deputy Auditor Marcie Shepherd, Deputy Auditor B.J. Grube, County Commissioners Barry Eppley, Brian Hauptert, and Scott Givens, Sheriff Bob Land, County Surveyor Cheri Slee, Purdue Extension Director Teresa Witkoske, Attorney Steve Downs, Attorney Mark Frantz,, Wabash Plain Dealer reporter Mackenzie Klemann, The Paper reporter,

Emma Rausch. Present for part of the meeting were EDC Director Keith Gillenwater, Bonnie Corn, Lorissa Sweet, and “105.9 The Bash” radio reporter, Tim Arnett.