

**April 16, 2012**

Pursuant to adjournment comes now the Starke County Council and meet in regular session at 6:00pm in the Annex meeting room, Knox Indiana and the following proceedings were held to wit:

The meeting was called to order by Council President Dave Pearman.

Absent from the meeting was Councilman Mark Smith.

Councilman Semans made a motion to approve the March 19th meeting minutes. Councilman Radkiewicz seconded the motion, and it was approved with all ayes.

#### **APPOINTMENT TO THE STARKE COUNTY LIBRARY BOARD**

Starke County Library Director, Shiela Urwiler, appeared before the Council to request the appointment to the Library Board to fill the term left vacant by the resignation of Board member, Kathy Allen. She advised Patricia Zobrist was interested in filling that position. Councilman Semans made a motion to approve the appointment of Patricia Zobrist to fill the vacancy on the Starke County Library Board, seconded by Councilwoman, Judy Benninghoff. The motion passed with all ayes.

#### **IU-HEALTH FACILITY 1<sup>ST</sup> QUARTER, 2012 REPORT/ UPDATE OF HOSPITAL COMMITTEE**

Linda Satkowski and David Hyatt, of the Knox IU-Health Facility, gave a report to the Council, of the hospital's capital expenditures during the 1<sup>st</sup> quarter of 2012. A copy of the report is on file in the Auditor's Office. President Pearman then gave an update of the meeting of the Hospital Committee, which had taken place at 5:00PM, on Monday, April 16, 2012. He advised it was the recommendation of the committee, to hire a consultant to conduct a valuation of both the property, and the business, with an anticipated range of expense for the consultant to be between \$ 30,000.00 and \$ 50,000.00. He added the consultant expense would be paid from the Save the Hospital Fund. In order for that to happen, the ordinance would need to be amended to allow the expenditure using that fund. Two separate public hearings would need to be scheduled, one for the Board of Commissioners, and one for the County Council. Councilman McLaughlin made a motion to authorize the County Attorney, Marty Lucas, write an amendment to the ordinance that created the Save the Hospital Fund, in order to employ a consultant to appraise the property, with a maximum cap of \$ 35,000.00. The motion was seconded by Councilman Sims. Before a vote could be taken, Councilman Semans inquired as to the situation if no firm would do the work for less than \$ 35,000.00. David Hyatt stated a more accurate estimate would be between \$ 50,000.00 and \$75,000.00. Councilman McLaughlin then amended his motion to set the cap at \$50,000.00. Councilman Semans seconded the motion and it passed with all ayes. Commissioner Bridegroom stated he is concerned that \$ 50,000.00 still wouldn't be enough to cover the expense. Councilman McLaughlin then amended the motion to include the statement, a public hearing would not be required if the final cost is over \$ 50,000.00. Councilman Semans seconded the motion, and it passed with all ayes.

Attorney Lucas stated he will send out the wording of the amendment as soon as he has it prepared. He advised the dates and times of the two separate public hearings will need to be set. The public hearing for the County Council was set at 5:00PM, Monday, May 14<sup>th</sup>. The public hearing for the Board of Commissioners was set for 6:00PM, Monday May 14<sup>th</sup>. President Pearman then summarized the situation stating there are two parts to this issue: the first being a change to the ordinance that created the Save the Hospital Fund, followed by a RFP or a RFQ. (a request for a proposal, or a request for a quote).

#### **LEGISLATIVE UPDATE**

##### **911 Funding:**

President Pearman advised of Indiana legislation that will be going into effect on July 1, 2012, that will be affecting Starke County. He stated the funding for the 911 fund will be changing this year. Presently, the county residents are being charged a \$ 3.00 fee on their telephone bills, for every landline they have. On 7/1/12 the three dollar rate will be decreased to ninety cents. In order to make up for the deficiency in the funding the State will be calculating the average 911 receipts for the last three years, per county. In order to make up the difference in the reduction of Starke County's fees, all Indiana counties, some who are now only charged thirty cents per landline, will be charged the ninety cent rate also. All of the 911 fees will be submitted directly to the State, who will, in turn, pass that on to the counties. The State has specifically stated the county will not be receiving any less than what was the average revenue of the last three years.

##### **Anti-nepotism**

President Pearman advised the State recently passed legislation that each county will need to be in compliance with the anti-nepotism issue, or the DLGF will not approve the County's future budgets. He advised the Starke County Board of Commissioners passed an anti-nepotism ordinance last fall.

He also advised another issue passed by the State this year is in regard to being able to change the minimum amount due at a tax sale, of a delinquent piece of property, to 75% of the assessed value.

#### **PRETRIAL DIVERSION**

Starke County Prosecutor, Nick Bourff, appeared before the Council, in regard to an agreement that he entered into with the Knox City Court, pertaining to Pre-Trial Diversion funds. He advised pre-trial diversions funds could be

used for a variety of expenditures including prosecutor staff training, law enforcement training, and office equipment, to name a few. He advised the appropriations require Council approval, and the claims require Commissioner approval. He added the program has been in effect since the early 1990s, when Kim Hall was the County Prosecutor. He noted the recent agreement would allow the Knox City Court to receive \$ 35.00 compensation per case processed, that involved a pre-trial deferral. President Pearman noted the question at hand was if the Prosecutor has the authority to enter into an agreement, without the Board of Commissioners' approval. Attorney Lucas advised typically it is the normal procedure, when the county enters into an agreement, it is entered into by the Board of Commissioners. Also one of the items in the new agreement, with Knox City Court, was that the funds be sent directly to the Auditor of Starke County. There was a discussion by the Council as to the pre-trial diversion funds and if they belong to the city or the county. Also why were they first hearing about the agreement since it was signed in December of 2011, to be retroactive to October, 2011. Auditor Chaffins advised the Prosecutor had requested a \$ 20,000.00 draw of pre-trial diversion money from the City in October, 2011, and has not received any further deposits since October. Councilman Semans made a motion to table the approval of this agreement with the Knox City Court until it could be researched further. The motion was seconded by Councilman McLaughlin, and passed with all ayes. Councilman Sims requested the Knox City Court Judge and the City Court Clerk appear at the next County Council meeting.

#### AUDITOR'S REPORT

Auditor Chaffins advised, in regard to the Monthly Financial Reporting policy, all departments are in compliance. She noted each report has supporting documentation to verify the figures. All reports are on file in the Auditor's Office.

Auditor Chaffins also noted she wanted to bring to the Council's attention the balance of the County General Fund is in the negative. She noted it is not unusual for the County General Fund to go into a negative balance shortly before the receipt of the spring settlement of property taxes, but noted it was in the negative earlier this year. She advised she has been in contact with the SBOA in regard to the negative balance and they advised it was not necessary to borrow funding from another of the county's funds if it is clear that the receipt of the property taxes will bring the fund back to a positive balance, and it does not end the year with a negative balance.

Auditor Chaffins then advised the Auditor's and the Treasurer's Offices are looking at converting their financial software vendor, to Low Financial. They are currently using Harris Financial. The cost to convert the software would be approximately \$ 59,000.00 due in 2012; and \$28,500.00 due in both 2013 and 2014. The annual maintenance and support fees would be \$ 16,000.00 and the county is now paying \$ 19,500.00 in maintenance/support fees to the current vendor. The same subject was discussed at the last Board of Commissioner's meeting and they inquired as to how the software purchase would be funded. Mrs. Chaffins advised she had contacted the SBOA in regard to which funds could be used in this type of situation. The SBOA advised the CREDIT Fund, the Rainy Day Fund, and the Auditor's Transfer Fee Fund could be possible sources of funding. A discussion followed in regard to what Low could provide that would be different than the current vendor; and how does the pricing compare to other companies that provide that same type of software. Auditor Chaffins advised she would have a representative of Low be present at the next Council meeting, along with the Interim Treasurer, to provide additional information, and to answer questions.

EMA Director, Ted Bombagetti, was present at the meeting. He was on the agenda to give a presentation in regard to the cleanup and aftermath of a catastrophic tornado. He advised, since his presentation will last approximately thirty minutes, he would reschedule it to a later meeting. He did comment on the new meeting room furniture. He stated he had purchased the furniture through a grant that provided funding to establish an Emergency Operation Center (EOC), and that, in the case of an emergency, the Annex Building Meeting Room would be used as an EOC.

With there being no further business, Councilman Semans made a motion to adjourn the meeting, seconded by Councilwoman Benninghoff. The motion passed with all ayes and the meeting was adjourned at 7:14 PM.

**April 16, 2012**

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Dave Pearman, President

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Mitch Semans, Vice President

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Judy Benninghoff

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Marvin McLaughlin

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ABSENT

Mark Smith

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Tony Radkiewicz

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Robert Sims

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Katherine Chaffins,  
Starke Co. Auditor & Council Secretary

