

**Board of Allen County Commissioners  
Efficiency and Effectiveness Task Force**

**Wednesday, August 26 from 2 p.m. – 4 p.m.**

Location: New Haven Police Training room (815 Lincoln Highway East, New Haven)

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Task Force Members Present: Roger Hadley, Kent Castleman, Terry McDonald, Bob Taylor, Michael Eikenberry, Ellen Cutter (facilitator)

Commissioners Present: Nelson Peters, Therese Brown

Others Present: Kevin Leininger, Fred Gilbert, Roy Buskirk, John Henry, Harold Kleine, Melissa Beber, Marguerite Horman, Wayne Horman, Michael Bowers, Tom Harris

**MEETING MINUTES**

**Welcome**

Ellen Cutter called the meeting to order at 2:15 p.m.

The committee reviewed the minutes from the prior meeting. It was noted that Tom Harris was not listed as an attendee; the committee approved the minutes contingent on this correction.

**Potential Recommendations**

Ms. Cutter introduced the “Potential recommendations \_draft summary” document, which included five potential recommendations the Task Force has discussed in previous meetings. Discussion began with the first item. Items were not presented in any sort of formal order (e.g. not presented in order of importance or support).

		<b>Administrative Change</b>	<b>Legislative Change</b>	<b>Why?</b>
<b>1</b>	Oversight of Strategic Plan, creation of Internal Auditor position, and recommendation of a budget (tied to Strategic Plan) to County Council	Yes	Yes	Commissioners oversee 1/3 of county personnel and budget. They do not have the authority to enforce planning or coordination among the rest of the organization. Effectiveness depends on personalities and goodwill, with varying levels of service standards across county units. Even if Council were to request more strongest Strategic Planning as part of the budget process, there is no staff support to ensure planning is effective. Councilmembers are part-time positions and do not have the time coordinate in addition to the budget process. An Internal Auditor would bring a systematic approach to evaluation and continuous improvement of governance processes.

Ms. Cutter noted that organizations like the City of Fort Wayne and Indiana University have Internal Auditor positions. Kent Castleman asked why a staff person devoted to strategic planning could not be put under the

purview of the Commissioners' office. Ms. Cutter referred to the organizational chart and noted that there could not be county-wide enforcement.

Commissioner Peters noted that it might be best to split the Internal Auditor position from recommendation #1. He also noted that creation of an Internal Auditor position would not require legislative change; however, recommendation of a budget to council would require it.

Tom Harris asked how an Internal Auditor could differ from the elected Auditor position. Ellen Cutter noted that "auditor" might not be the best term for this position. The focus would not necessarily be on financial oversight but rather process improvements, strategic planning, and continuous improvement. Bob Taylor noted that Internal Auditor positions start with risk management, focusing in on the most vulnerable areas of an organization. There really are not strong connections to the strategic or financial plans.

Mike Eikenberry suggested changing the title to the Strategic Planning Auditor. Kent Castleman suggested that the title be Continuous Improvement Manager.

Bob Taylor noted the good work of the Strategic Plan. It is an important effort, even if some units put forth a greater effort than others. The Plan must be diligently put forward each year. There must be built-in accountability and reporting in a visible way. Which units are putting up soft versus bold targets?

Tom Harris noted that there should also be an educational component for elected officials.

Therese Brown noted that county government officials will always be suspicious of why their budget might be cut. Relationships are often adversarial and there are clear issues of trust. There needs to be a mutual level of understanding about why strategic planning is of critical importance to Allen County government. There is distrust between the elected official and the fiscal body, because many elected officials do not feel that the fiscal body is engaged with the day-to-day management of the organizations.

Nelson Peters suggested that as difficult as it may be, perhaps the county should adopt a zero-based budget for a few years in order to reexamine the true needs of the community.

Tom Harris noted that many departments simply carry over its last year's budget. But, there is a check and balance in terms of the fiscal body's questions of those budget recommendations. Zero-based budgeting (ZBB) has been considered in the late 1980s; however, 80% of the county's costs are associated with personnel.

Bob Taylor noted that you still have to evaluate every staff position in the ZBB approach, so personnel costs are assessed. Mr. Taylor suggested reducing all units' budgets but a small amount, and then redistribute the savings toward the best proposals for new key initiatives. Mike Eikenberry noted that the pace of change is greater now than ever. Budget processes cannot simply build off of last year's status quo. That ignores change.

Mayor McDonald noted that while he is not familiar with the statutes that require county budgets, the City of New Haven moved to ZBB several years ago. While it was initially difficult, it showed department heads how they may be more efficient. There are monthly "green bar" budget reports (short term), and the clerk-treasurer provides reporting (long term) to show where highs and lows have been in spending areas since 2005 (and, why). This approach to budget reporting and planning has worked out very well. Zero-based budgeting might be painful for the first year or two, but he believes it can work. Mayor McDonald also noted examples of how the City has found efficiencies in personnel. However, in order for those efficiencies to be found in county government, the Council would have to put pressure on department heads to come up with ideas/proposals.

Bob Taylor and Tom Harris discussed the county’s approach to capital improvement planning. Mr. Taylor noted that the county is already doing some of what the task force is discussing.

Mike Eikenberry asked if the county ever considers state of the art technologies. Nelson Peters noted that, often, that does not happen.

Mayor McDonald asked about the relationship between the Rainy Day Fund and the capital improvement plan. Tom Harris noted that the Auditor has access to see the balance in every county fund. If anyone is squirrelling away money, in theory the Auditor could see that.

Ms. Cutter noted that the recommendation would be edited to reflect the discussion. Focus was shifted to recommendation #2.

2	Enhance accountability standards for executive (Commission) and legislative officers (Commission and Council).	Yes	No	Commissioners are full-time positions in Allen County, Councilmen are part-time positions. Elected representatives must meet the Constitutional requirements of their held position; however, there no standards for hours worked or participation in specific activities.
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Bob Taylor noted that the voters should demand accountability. Nelson Peters noted that the apathy among Allen County – only 11% came out to vote. Commissioner Peters believes there should be accountability standards. Therese Brown asked how we can quantify performance, while still allowing for reasonable adjustments. Mike Eikenberry suggested exploring a 360-degree feedback approach, which engages feedback from peers, subordinates, and supervisors. Tom Harris noted that party lines and appointments muddy the waters here. Councilman Harris suggested that each elected official establish their own standards. Bob Taylor noted that there are likely metrics that could be borrowed from Board of Directors – related to board participation, etc.

Kent Castleman noted that without a compilation report, one would have to go through the minutes to see who was present.

Mayor McDonald asked how many people from the general public typically show up at County Council or County Commissioner meetings. Typically, fewer than six are in attendance. Mayor McDonald notes that our task force can come up with measures or scorecards, but if the electorate is disengaged it will not matter.

Bob Taylor asked if County government had ever held a strategic planning retreat (with professional facilitators) to understand each unit’s priorities and how they work together as an entity. He provided an example from a previous community in which he lived. If the seven County Councilmen and women and three County Commissioners all got together, that would make 10 starting participants. Each of these participants would invite 10 members of the community. At the retreat, there would be ten tables where an invitee from each of the 10 elected officials would be assigned to one of each of the tables. One elected official would be at each table, and their role would be to listen and take notes. The discussion would focus around priorities and objectives and sets a framework for the budgeting process. From his experience, Mr. Taylor noted that this was a very positive experience for all involved. It gave the participants more confidence in the elected officials, because they better understood priorities. It also got 100 people in the community a deep-dive into the local government’s dynamics, and they could “spread the word” in the community. He found it a valuable exercise to do periodically that led to important conversations.

Commissioner Brown liked the idea and asked if the meetings would be public and if press were included. Mike Eikenberry supported the idea and thought this was exactly the type of recommendations the task force should consider.

Commissioner Peters said that his only concern is the different levels of engagement. He expressed doubt that we could get all the elected officials to show up. Mr. Taylor asked if we cannot get elected officials to show up and participate, then why this is task force trying to solve that.

Kent Castleman noted that this approach could help develop the “Citizens Objectives” for the strategic plan. Mayor McDonald agreed and noted while it might not be perfect, it would be a very good start.

Ms. Cutter noted that this recommendation would be included in the future draft for the task force to review. Focus was shifted to #3.

3	Coordinate employee performance review standards.	Yes	Unsure	Some county units utilize county Human Resources services, while others do not. Even if units have their own performance reviews, rather than using those from Human Resources, a coordinated 10,000 foot view across the entire organization is impossible to glean.
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Mike Eikenberry said that some type of review must be in place for all employees. Commissioner Brown noted that if the unit has NOT adopted the County Handbook they have to have their own process in place. Commissioners Brown and Peters are working on a continuous improvement process within Human Resources to improve processes and engagement throughout county government to illustrate how engagement with the department is beneficial. They are putting benchmarks in place.

Mayor McDonald noted that while public safety and utility department certainly would have additional human resources-related concerns and requirement, he assumed that the Sherriff’s office would utilize county Human Resources services. However, they do not. Commissioner Peters noted that they (County) do not even have the same holiday calendar as the Courts. Commissioner Brown expanded on this, noting that the Courts align with the state, even though they are funded by the county. She believes that standards across the boards are a good thing for the taxpayers.

Mayor McDonald noted that performance reviews and benchmarks are an effective way to determine if someone is not doing their job. It must be the responsibility of each department head. Commissioner Brown noted that this cannot just be a box-checking exercise. There must be some meaning behind it – be it merit pay, better working relationships, a track for promotion, or something else.

Kent Castleman if the potential Continuous Improvement Manager’s role could include the promotion of the leadership training that County Human Resources already offers.

Commissioner Peters reminded the group that accountability is the crux of the issue. We need to be working toward a higher level of accountability. What’s the hammer? He noted that the problem is that the electorate does not know if elected officials have followed through on promises made, be it in the strategic plan or elsewhere.

Kent Castleman noted that change can come in two ways. (1) It can be voluntary. The current structure of county government requires a strong culture of collaboration and coordination. This does not exist. (2) It can be mandatory. This would be established through statute.

There was consensus among the group in this classification. Bob Taylor noted that it will always be difficult to instill a cultural element within a very large body with dozens of elected officials that can potentially rotate through every few years. He expressed hope that a strategic planning retreat could lead to cultural change and create a new community standard.

Scorecard were briefly discussed, but it was determined that most groups have an agenda. So, this can be difficult to accomplish outside of the County.

Commissioners Brown and Peters both agreed that the strategic planning retreat would be valuable. Commissioner Peters asked how the strategic plan could be embraced uniformly. He likes the idea of a continuous improvement manager; however, there is still no administrative coordination across the entire entity. He strongly feels that the Commissioners should recommend a budget to County Council. They are there full-time, day-to-day and know the dynamics of the organization. This would, in no way, override the Council's fiscal authority.

Councilman Harris noted that a potential merit increase process would fit into that proposal. For example, if each department head was given 3% that they could divvy up among employees, according to performance, that would improve performance and it would also highlight what managers were not doing performance reviews.

Commissioner Peters noted that County had NO pay increase for five years, so a 0% increase split up is still zero. For that to work, there would need to be assurance from Council that those funds would be protected.

This worked the group toward item #4. Ms. Cutter noted that she would rework the draft recommendations list, based on the conversation. She would distribute an survey to the task force members, asking them to prioritize discussion items for next time.

4	Consider linking employee performance reviews with merit pay.	Yes	No	Eighty-percent of costs in Allen County government are associated with personnel. Challenges arise with unique circumstances (e.g. judicial performance) and consistency (e.g. a certain percent of the annual budget must be earmarked to carry out).
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**Comments from the floor**

Fred Gilbert noted that this is the most open process in the 40 years that he has been tracking local government. It includes Commissioners and Councilmembers and community members. While frustrating points are clearly there, it is not a wash. He stressed that the media should be doing more to cover this process. He recommended that the group have a series of public meetings, and we should annotate the reasons behind the recommendations. Perhaps we have a model that other counties will adopt. He hopes people in Allen County will buy in.

Councilman Roy Buskirk reviewed permitting, budget process, and Recorder's Office improvements. He is very supportive of the strategic planning retreat concept. He also noted challenges associated with varying full-time

hour requirements (37.5 versus 40 hr/week). He would also like a way to know who is not showing up to board meetings, especially Council's appointments. He expressed concern that it continues to be difficult to get County's residents more engaged.

### **Adjourn**

The next task force meeting will be held on **Tuesday, September 15 from 6 p.m. – 8 p.m.** at the Dupont Branch of the Allen County Public Library (536 E. Dupont Road Fort Wayne).

Ellen Cutter adjourned the meeting at 4:15pm.