FRANKLIN COUNTY BUDGET ECONOMIC ADVISORY PANEL

MINUTES

June 28, 2013

PANEL MEMBERS PRESENT: Ty Marsh, Chair; Bill LaFayette; Frederick Ransier; Timothy Robinson; William Shkurti

ABSENT: Pierre Bigby; Karen Morrison; Martyn Redgrave

OTHERS PRESENT: Commissioner Brooks; County Administrator Don Brown; Deputy County Administrators Bill Flaherty, Erik Janas, and Ken Wilson; Chief Information Officer of OMB, Adam Luckhaupt; OMB Staff, Heidi Hallas Warren and Justin Nahvi.

GUESTS: Shannon Cross; Kristen Easterday; Michael Salvadore

Materials in the order distributed:

- **Highlights of Key Tax and Local Government Provisions (HB 59 State Budget Bill Conference Committee Report)**, Source: LSC H.B. 59 Comparison Document, 2 pages.
- **Follow-up to Questions about Potential IT Related Savings**, Franklin County OMB, 4 pages.
- **Franklin County Discretionary Grants vs. Poverty Rate**, Franklin County OMB, 1 page (chart).
- **Selected Social Characteristics**, Source: American Community Survey 1-Year Estimates, U.S. Census Bureau, 2 pages.
- **Number of Refugee Arrivals in Franklin County,** Source: Ohio Department of Job and Family Services, 1 page (table).
- **Intergovernmental Revenue – All Funds**, Franklin County OMB, 1 page (chart).
- **Monthly Economic and Budget Reports: May 2013**, Franklin County OMB, 20 pages.
- **County Budget & Economic Advisory Panel Report Contents,** (Draft)

Chair Ty Marsh convened the meeting at 2:07 P.M.

Mr. Marsh began the meeting with the first agenda item regarding an overview of the State Budget H.B. 59 that passed on June 27, 2013.

Mr. Wilson provided an overview of the budget bill using the *Highlights of Key Tax and Local Government Provisions…* document as a guide. He read down the items, and added commentary to the information:

- Income tax reduction is phased in over 3 years.
- The Suspension of Income Bracket occurs over the same three years as the reduction.
- The Earned Income Tax Credit policy has never existed in Ohio before.

Mr. Marsh asked for additional clarification on what changes were made to the CAT. Mr. Wilson explained that the base has been changed. The CAT would be paid sooner compared to the prior law. Under law before this budget bill, there was a $150,000 minimum threshold. They changed the threshold and discounted it for first time CAT payers; they'll pay half of what's due.

Mr. Marsh asked if the net effect of that is less money collected from the CAT. Mr. Wilson said the State will collect more money under CAT than before.

Mr. Marsh asked Mr. LaFayette if he's ever seen cause and affect studies, with such measures in combination (an increase in sales tax and a decrease in income tax), on the taxpayer/residents. Mr. LaFayette stated it depends on scale. The general point is that lower income taxpayers pay more in such an arrangement. Recently, I ran numbers on the regressivity of sales tax, it ends up that it is less regressive than I would have guessed. This is because lower income people pay more of their income on consumption, but they tend to consume goods like food at home rather than eating out (which is not taxable); higher income people pay less of their income (proportionately) on consumption, but it offsets in the sense that more of what they buy is taxable. There's extreme regressivity in the lowest income brackets. If you want to address that by means of a credit to lower income people, you could restrict that credit to the very lowest incomes and be ok.

Mr. Wilson went back to the *Highlights…* document, page 2. He read down the items, and added commentary to the information:

- The increase on excise tax of "little cigars" is a revenue pick up.
- The State will not pick up the 10% or 2.5% rollback on new property tax levies. That is going to change the math for school districts, levy agencies, etc. related to the property tax. They will figure in that the taxpayer will no longer have 10% plus 2.5% of the bill picked up by the State.

Mr. Marsh asked; when a taxpayer in Columbus City School District pays a property tax does it go to the State? Mr. Wilson explained the rollback for investment property is 10%. That 10% is discounted off of the bill the taxpayer pays. The State reimburses that using General Revenue Fund dollars, and provides that to the taxing entity (county, school district, etc.) to cover the difference. This line item in the State's budget has been growing rapidly over time as more and more property tax levies have been going to the ballot. Taking levies to the ballot has been one of the responses to the reductions in resources coming from the State and Federal level; at the Local level there has been no other option other to turn to the property tax to make up the gap. As properties have grown and as there has been additional growth in the property tax evaluation statewide, it has grown the State's contribution to that line item.

Mr. LaFayette asked; the rollback itself doesn't apply? Mr. Wilson said the rollback doesn't apply on new or replacement levies. Mr. Brown asked; what about renewal levies? Mr. Wilson said renewal levies will be treated like existing levies, because the amount collected is equal to the prior amount. The State doesn't have to write a larger check.

Mr. Brown said the check the State was writing was to the County, which collects and distributes taxes to all of the levy districts. The cash flow that will change will be that the State will no longer send that subsidy to the County for distribution to the taxing districts. The property owner will no longer see a deduction or credit for that rollback on their tax bills. Effectively, the property owners' bills will go up because they will be paying the gross not the net of new or replacement levies.

Mr. LaFayette said this will make levies harder to pass. Mr. Wilson said; yes, when you see a levy introduced, you always see how much it's going to cost the tax payer for each $100,000 in value. That number will go up because this 12.5% will be reflected in their tax bill. This total tax package wasn't out there for very long before it was approved, but the school districts did give testimony to try to keep this rollback in place because their levies are often on ballots.

Mr. Marsh asked for clarification by example: If a school levy comes up because a school district wants to raise a $1 million, then the millage is calculated based on that.

Does that mean the millage will go up to collect the same amount of money? Mr. Wilson said the millage wouldn't have to go up to raise the same amount of money, the thing that changes is *who* pays. The taxpayer picks up the whole entire portion, whereas before the State came in and paid for a discount of 12.5%, or 10% on non-owner occupied properties.

Mr. Marsh asked what the direct impact to the County budget will be. Mr. Brown said it will affect the County's special levies for the developmentally disabled, ADAMH, Children's Services, Senior Options, etc. Those levies, like school, library, and zoo districts, will be (when they go to the ballot for a new or replacement levy) asking the taxpayers to pay more (in essence) than they would otherwise have paid had the State reimbursement continued.

Mr. Ransier said this is a cut to local government that the properties owners have to pick up. 12.5% is large number. Mr. Marsh said a school levy can be very high. Mr. Ransier said this policy will likely have to be rethought. Mr. LaFayette said making levies harder to pass will further squeeze local governments' budgets.

Mr. Wilson went back to the *Highlights…* document, page 2. He read down the items, and added commentary to the information:

- Franklin County has run a joint health care cooperative for some time.
- A run-off payment consists of claims that have been reported but not paid. There is language in this budget bill that states if a political subdivision reaches the end of a contractual period with the administrator of the self-insurance plan, the county sponsor has to follow a procedure for paying the run-off payment. We've reviewed this language and provided feedback through CCAO. This language does not adversely impact us based on the time we pay off claims through our third party administrator.
- Regarding the land bank item: 5% of delinquent taxes now go to the County Treasurer's DTAC fund. We have land banks in place. The language in the new budget allows county commissioners, auditors, or treasurers to enter into a contract to provide staff for operations of the land banks.
- Currently a dog license is purchased each year. Counties depend on that revenue to come in annually to offset the cost of providing dog warden services. This language provides a lot of flexibility, and now an individual may buy a license for 1, 2, 3 years or permanently. If a person opts for a permanent license, once they pay that fee they are off the books. If you're running a county animal shelter, your revenue stream is impacted. It also impacts fees that go to the OSU Veterinary Medicine School. We are examining this to further understand the impact. We just increased our fees to support operations of our animal shelter.

Mr. LaFayette said if you can find out what number of people renewed their car registrations for 2 years vs. 1 year, it may be a model to use for understanding this new dog license policy.

Mr. Wilson said Mr. Flaherty is working with our Animal Shelter Director and the Ohio Dog Warden Association to learn more about this. Mr. Flaherty said; we don't think this will rise to a Governor's veto.

Mr. Marsh asked if it is true that no taxing restrictions, such as those in the House version of the bill, have been placed on the County. Mr. Wilson said that is correct, all of those revisions were removed.

Mr. Marsh asked if anything in the final bill has a direct impact on County finances. Mr. Brown said the changes to the dog registrations will. We run a dog warden service and animal shelter. The license fees don't cover the operations now; as a result we have a subsidy. This will impact that and we'll have to reduce the level of service, or increase the level of subsidy from the County General Fund.

Mr. Shkurti asked if the County will be able to determine what the life-time fee will be. Mr. Flaherty said; we don't know. We haven't seen the actual bill itself. Mr. Shkurti gave an example of an actuarially determined lifetime membership fee structure. Mr. Brown said; hopefully the bill will give us the flexibility we need to determine a feasible fee structure.

Mr. Shkurti asked if there is any impact on the Local Government Fund related to the final tax policies. Mr. Brown said no. Arguably, the changes to the CAT could increase the amount of CAT collected by the State, which is part of the formula that is subject to distribution. Mr. Shkurti said; but it's also reducing the income tax, which is subject to distribution. And increasing the sales tax, which is subject to distribution. Is the net impact budget neutral to the State? Mr. Brown and Mr. Janas said they are not sure.

Mr. Wilson said; it's our understanding that when you look at the Local Government Fund after all these changes, it increases funding over 2 years by $28.4 million. But, the reductions that were in the prior budget bill were not modified. So the total is a little over $200 million less than what was provided to local governments in the prior budget bill. Mr. Shkurti said; I want to know if this has any impact, positive or negative, on the assumptions we've baked into the budget forecast scenarios this Panel is using as our reference points. It picks up net $28 million? Mr. Wilson said; yes, but that is $202 million less than the total amount that was available in the prior budget. Mr. Janas said the $28 million is the statewide net. Mr. Shkurti said Franklin County's share would be a couple hundred thousand dollars. Mr. Wilson said there was no material benefit, but we we're not hurt any further like the prior budget bill. Mr. Janas said he will follow-up with CCAO. Mr. Wilson said Brad Cole of CCAO will be back with this Panel for the July 12th meeting.

Mr. Wilson said that overall the budget attempts to move away from income tax to consumption tax. There was discussion about how that could impact sales of cars and other big ticket items.

Mr. Marsh moved on to the second agenda item: IT Efficiencies.

Mr. Luckhaupt referred the Panel to the *Follow-up to Questions About Potential IT Related Savings* document. This is the same document presented at the last meeting, with potential savings added in blue. There is also follow-up to other questions asked at the last meeting. One question asked at the last meeting was related to the possibility of the County moving to a cloud based system for data storage. While it is a great idea for the future, given the amount of storage the County has, it is 175% more. For the amount of storage we have now it would cost $285,000 over a 5 year period, versus the current costs of $163,000. Mr. Ransier asked if the $163,000 amount included staffing costs. Mr. Luckhaupt said; yes staff is included, and once the SAN is up and running it requires very little staff time to maintain it. Most staff time on the server side is related to security and permissions, and regardless of being a cloud based solution or a local based solution, you're still going to pay that money for staff.

Mr. Luckhaupt continued on to the items in the document. He said; I've tried to take a fairly conservative approach to the estimates. If everything here is recommended, including the FCJS conversion, it would be close to $1.5 million of annual savings. The caveat to that [is these savings would be realized] once our money was recovered from implementation of FCJS, and of that part it would be between $4.5 and $7.5 million of General Fund dollars.

Mr. Luckhaupt began with the first item: Expand centralized printing. He added the following commentary to the information found in the document:

- The print shop has the needed equipment, so no additional equipment would need to be bought.
- More business could be garnered from Non-General Fund Agencies to bring in more revenue.

- Related to the Possible Barrier: we have leases in place that need to let them expire or be bought out.

Mr. Ransier asked if print services not handled by the print shop are centralized at one outside vendor. Mr. Luckhaupt said the County uses multiple vendors. A success story for the County Print Shop is printing ballots on demand for the Board of Elections, and we have saved a considerable amount of money.

Mr. Luckhaupt continued on to the next item: Consolidate LAN… He added the following commentary to the information found in the document:

- Hardware has gotten cheaper. Even with consolidation, support will be needed for each device. So you'd have a support contract on a switch for example, on the routers, etc. There is not a blanket support contract that would allow us to realize any kind of savings on support. However, as far as storage is concerned, we've already begun saving money because every time a server needs replaced I encourage agencies to go on to the Data Center's virtual server environment. That saves between 33% and 66% depending on what type of server it replaces. For example, a file and print server doesn't cost too much, but a high volume application-type server does take more bandwidth and increased CPU costs.

Mr. Brown asked; how long would it take agencies to migrate to this, and achieve the noted $125,000 annual savings? Mr. Luckhaupt stated; we have different elected official units. The Court has their own network and they don't fall under the Data Board control, because they function as the third branch of government. Getting them on board will a shared system could be as much of a political question as it is technical. If the will was there for the migration, it could be quick. If it was not there, it could be a long process.

There was some discussion on the every changing capabilities and costs of technology. Mr. Marsh said the equation is about savings and efficiencies. Mr. Luckhaupt's presentation is mostly focused on savings. Mr. Luckhaupt agreed and added that efficiencies are discussed related to FCJS.

Mr. Luckhaupt continued; every year we're going to realize some of this potential savings within the agencies that are already on the Data Center network. For example, PFM needs a few servers and are therefore planned to be moved onto the virtual environment to achieve some of those savings.

Mr. Wilson asked Mr. Luckhaupt; if we made a case for how consolidation could mean more money for other priorities within the various Non-general Fund agencies /elected offices, how long it would take to have one network created and functioning. Mr. Luckhaupt said; the equipment we use is all from the same vendor, so equipment conversion would probably not take long. I think the biggest issue if we were to go to that scale would be staff. There is some redundant staff, so staff redistribution would need to be considered. This would be system administrators and security. If everyone agreed and was on the same page, you could unite the 2 separate networks within a year-and-a-half.

Mr. Wilson asked if Mr. Luckhaupt thought there are any benefits to having separate networks. Mr. Luckhaupt said; if you trust the integrity of your data center, and that your data is protected, then there should be no problem with uniting them. But it requires a very high level of trust. Our environment is a sensitive one, as we have multiple political and functional areas (i.e. the need for separated security for the Public Defender's Office and the Prosecutor's Office).

Mr. Wilson asked; in short, it is all about where the accountability rests? Mr. Luckhaupt said; absolutely. Everyone wants to have a stake in the IT environment, but who is accountable is the core requirement.

In a way, the current Data Board is the current center of accountability, but since not everyone participates in the Data Board, and also because the Data Board itself is controlled by the County Auditor, the Data Center Director is appointed by the County Auditor, you don't necessarily have that. If it was a Board where all members had an equal stake, a fully integrated system could be possible - the accountability is there.

Mr. Luckhaupt continued on to the next item regarding retention policies. He added the following commentary to the information found in the document:

- Referring to the chart at the bottom of page two: the Data Center SAN solution is about half of what our County storage is for what applies to the General Fund. We still have separate silos of information.
- The higher cost per Terabyte is higher for our equipment because the drives are high speed drives in high speed enclosures. They are also doing redundant configurations. If a drive goes out, you can plug another one in and no information is lost.
- The cost of Terabytes has also gone up due to changes in the market brought on by natural disasters.
- The savings amount of $85,000 is composed of two parts: half of it is physical, paper file storage that we pay in the General Fund ($90,000 per year); the other half is the SAN expansion.

Mr. Robinson asked what was driving the 30% growth. Mr. Luckhaupt replied this number is the estimate provided by the Data Center; SAN space has been growing at 30% per year. What this doesn't take into account is the cost of managing all that data. The more you have, the more risk you assume: disaster recovery, backing up to tape, etc.

Mr. Ransier asked if email uses up a lot of space. Mr. Luckhaupt said the largest space users are imaging solutions primarily for the Courts (biggest user) and the Recorder's Office. A smaller amount of space is Word documents, or Excel documents, etc.

Mr. Wilson asked if the space being used for eFiling is included in this analysis. Mr. Luckhaupt said it is included. A few of the SAN servers we have are for eFiling. Mr. Wilson asked if that space is purchased by the Computerization of the Court Fund. Mr. Luckhaupt said ongoing maintenance is paid for out of the General Fund. Mr. Wilson asked what fund is used to pay for the Terabyte space that the data is on. Mr. Luckhaupt said eFiling is a temporary storage vessel. It is a channel and received information enters a queue. As that information becomes permanent (the case is created or appended) it goes directly into the FCJS, which has an imaging arm. So that data is going into permanent storage that is paid for through the General Fund.

Mr. Luckhaupt offered an analogy to data storage: You have a garage at your new house. When you first move in, it has a lot of space. Then you put things in there and it builds up. Every so often, you have to clean it out. What we want to implement with the Records Retention Policies is scheduling the clean out so that it is reoccurring.

Mr. Robinson asked about storage requirements aside from those required by law. Mr. Luckhaupt said; we feel the need to keep everything because we can have public record requests made. However, there is certain data with definitive timeframes (say 4 years), and if we are diligent about appropriately disposing of the records we can, it would free up money and make the data easier to search.

Mr. Luckhaupt continued on to the next item: MSELA license structure. He added the following commentary to the information found in the document:

- Programs that fall under the MSELA are common programs from Microsoft: Word, Excel, Outlook, etc.
- Data Center renews the MSELA, but I don't think it is worth the money we spend on it annually. Most of the agencies are on Office 2007, which came out 6 years ago. Microsoft is up to Office 10 and 13. We are not even getting the benefits from paying the agreement every year. We can upgrade, but we just don't. A big reason why could be the PC refresh cycle every 5 years, and users' learning curves.

Mr. Marsh asked if this item was already planned for implementation. Mr. Luckhaupt said the contract expires in 2014. I would recommend this be implemented, but I can't plan it. This option is probably the most cut and dry of all the items I'm discussing today with you.

Mr. Ransier said; it only delays costs to not implement changes, because the cycle of technology is going to naturally lead to required upgrades. Mr. Luckhaupt said that is why the potential savings I list here is only $250,000 per year, rather than the full $ 324,000. At the rate we refresh and upgrade, we can just pay for that licensing when we need it. We have the ability to upgrade our operating systems through that licensing right now; but if we are on a 5 year PC refresh cycle, we already get the operating system when we buy a new machine. We can also more effectively tailor match programs with what agencies actually use. For example, some agencies may never use Publisher but only use Word and Excel, so we could pay for only what we need.

Mr. Luckhaupt continued on to the next item: Centralize licensing for enterprise-wide software. He read the details to the Panel.

Mr. Luckhaupt continued on to the last item: Replace FCJS and iSeries Platform. He added the following commentary to the information found in the document:
- FCJS is about 20 years old and runs on an AS400 minicomputer.
- FTE costs reflect salary and benefits.
- The Juvenile Detention Center is not within this project scope.
- More research is being done to get a better estimate on the costs of replacement.
- To recover General Fund investment dollars for this project at the high cost point of $7.5 million, it would be 8.64 years. If the cost is at the low end of $4.5 million, recovery time would be 5.2 years.
- There are funds that are dedicated for the support of Court IT systems, which would be used by the Courts to pay for this replacement. They may use the funds to repay debt that was issued, or repaying the General Fund. The Court IT funds would constitute about 55% of the money for this project. The average revenue for the funds is about $700,000 per year; between the Court of Common Pleas, Domestic, and Juvenile Courts.
- We would use an off-the-shelf solution because a customized solution of this magnitude would be too risky an endeavor.

Mr. Brown summarized: This project has a 4 year implementation requirement. It has a 7 to 8 year payback period. The payback in the General Fund is approximately $800,000 a year.

Mr. Luckhaupt said the summary is accurate, and the estimates are conservative ones.

Mr. Marsh moved on to the follow-up items from the June 14th.

Commissioner Brooks joined the meeting.

Ms. Hallas Warren referred the Panel to the *Franklin County Discretionary Grants vs. Poverty Rate* chart. The spending is going down while the poverty rate is increasing.

Ms. Hallas Warren then refers the Panel to the *Selected Social Characteristics* table. This document describes immigration, citizenship status, and population movement. This is follow-up from the last discussion about a potential contributing factor to increasing poverty rates during our economic recovery. Part of the discussion was premised on the idea that low income or unemployed people are drawn to the opportunity in our area. For 2011, it looks as though Franklin County has more mobility, with people coming from different counties at a higher rate, from within the State, and from other states, when compared to our peer counties. The chart on the second page shows Franklin County with a higher immigration rate than our peer counties.

There was discussion about why the immigration rate is higher. Mr. Ransier asked if it could be OSU. Mr. LaFayette said Honda could be another attraction to the area.

Ms. Hallas Warren continued to the *Number of Refugee Arrivals in Franklin County* table. Last meeting we discussed the potential effects of refugee arrivals on the poverty level. With refugee status, people are eligible for supportive services, such as Medicaid, in order to help them establish themselves in the community.

Mr. Janas said; I think it is important to point out that the classification of refugee is a very specific designation. This is not fully reflective of the whole population that is migrating into the community. It probably does give some sense of where folks are coming from.

Mr. Flaherty said; based on the number of immigrants that we have, do you think the immigrant population is driving the poverty rate? Ms. Hallas Warren said there was some discussion on that at the last meeting, but I couldn't say for sure. Mr. Brown said; I think that immigration from other counties within the State, and from other states, along with immigration from other countries is increasing the number of low income households in Franklin County.

Commissioner Brooks asked; could we use CRP or real data to know if that is happening? Mr. LaFayette said; I don't know if the data is broken down that finely. It stands to reason that people move for increased economic opportunity. I think the poverty table is organized by demographic characteristics and not by place of origin. Commissioner Brooks asked if US immigration would have those data, at least for those who are documented. I may be worth a look.

Mr. Flaherty asked; is the demand and cost for social services being significantly affected by the number of refugees or immigrants? We know they may be lower income, but do they represent a disproportionate share of those in poverty to the point that they could be driving the costs?

Mr. Ransier said a population of more affluent immigrants would also be included in the immigrant population, and will offset the low-income immigrant population.

Mr. Flaherty said he thinks poor immigrants are a factor in the County's poverty rates, but they are not driving.

Mr. Wilson said we are a young population in Franklin County. Income tends to go up as you age as you work your way up the career latter. Social service needs are also greater pre-kindergarten.

Commissioner Brooks pointed out that on the Selected Social Characteristics table there is no designation for being born out of the County. Mr. LaFayette said there are more detailed tables that identify if a person is from the county and the MSA, and if the person has moved within the county or MSA. Those data are available from ACS.

Mr. Marsh said the context of the population discussion was centered on the question of: What impact does the increase of poverty in Franklin County have on the County's fiscal situation? Refugees and immigration play a role, but there are parts we just don't know. Is there any general sense of how much of an impact this poverty rate has affected the County's fiscal picture?

Mr. Ransier said; in putting this data together, it seems the foreign born is likely not a big contributor. Mr. Brown agreed and added; I would look to residence one year ago being a different county or different state. I think those are contributors with people coming here for economic opportunity. Mr. Ransier said it could be related to manufacturing's decline.

Ms. Hallas Warren referred the Panel to the *Intergovernmental Revenue* chart. We broke out the one-time, stimulus dollars so that we could see the trend once the one time money came out. The chart shows we are still seeing a decline in intergovernmental revenues.

Mr. Ransier asked what intergovernmental revenues consist of. Mr. Brown explained they are State or Federal subsidies or shared revenues. It could be in the form of grants, or straight out per capita, or block entitlements to the County. It would include the Local Government Fund dollars. Mr. Janas said this is intended to illustrate how much of the downward trend in intergovernmental revenue was affected by stimulus money going away. This chart shows that the trend is downward irrespective of ARRA. Mr. Brown stated the red color in the chart is a blend in State and Federal funds.

Mr. Robertson asked if there is a sense of how much of the decline is attributable to State cutbacks versus Federal cutbacks. Have there been any activities taken offline? Mr. Brown said; about a year ago we measured the loss of State shared revenue, and benchmarked it at about $40 million per year as a result of the policy changes made in the last biennium.

Commissioner Brooks asked Mr. Ransier if his question was related to mandates, as in we lost the money so we lost a mandate. Mr. Ransier said; yes, sometimes with grants the grant activity goes away so the funding and expenses go away. However, that is a different story than if there was a funding source that went away, but activities need funding and a new funding source needs to be found. Mr. Janas said; we've seen downward trends in several grant allocation areas such as CDBG, and USAI funds for homeland security (which have gone away completely). The defunding is across the board. Mr. Brown said; effective this year, the Medicaid program was elevated to the State. It was taken off the counties' books and transferred to the State's books. That would have an effect on the revenue and expense sides. Mr. Wilson said; we can provide a more detailed analysis of this decline. Some of the changes in funding were related to changes in policy. Commissioner Brooks said; some of the funding was used to cover general mandated functions. It is important to see the difference.

Ms. Hallas Warren said the Panel's packet also includes the *Monthly Economic and Budget Reports: May 2013*. This is for the members' review.

Mr. Marsh referred the Panel to the *County Budget & Economic Advisory Panel Report Contents* draft document. The goal of this Panel is to complete our work by the end of July. Please review this as it is important to shape our thoughts around an outline. Use this as a guide in your process. Mr. Shkurti said it is important to think about who is going to read our report beyond those in this Panel.

We need to make it readable and clear as to our conclusions and what backs them up. I think focusing on the recommendations and the reasons behind them is key. We need to set some context but also stay focused. Mr. LaFayette said; what we need to do is demonstrate to the public and stakeholders that we've done due diligence. Mr. Ransier asked how far out this report should be looking. Is it 3 years, 5 years? There are dramatic changes as often as every 2 years; it's hard to get too far ahead. Mr. Shkurti said; a way to address that is by communicating a higher level of certainty relative to the next 2 years (because the State budget has passed), compared to less certainty in the out years where we describe recommendations of things to watch.

The meeting was adjourned at 3:17 P.M.

These minutes are a synopsis of the meeting of the Franklin County Budget and Economic Advisory Panel of Friday, June 28, 2013.

Submitted by: Shannon Zee Cross, Clerk to the Board of Commissioners