



INDIANA EMERGENCY RESPONSE COMMISSION (IERC)

Fiscal Committee

**Sheraton Hotel Indianapolis at Keystone Crossing
8787 Keystone Crossing
Indianapolis, Indiana 46240
September 20, 2017
9:00 AM [start time 9:18]**

COMMITTEE MEMBERS PRESENT:

Ian Ewusi—IDHS
Tracy Smith—IDHS
Bernard Beier—Local Government Representative
Bruce Palin—Public Representative
James Pridgen—Business and Industry Representative

COMMITTEE MEMBERS ABSENT:

Amy E. Smith—Designee for Commissioner of IDEM
Shawn French—Business/Industry Representative

The following Commissioners, staff and audience members were present:

Kassandra Buster—IERC Commissioner
Charles Heflin—IDHS
Justin Guedel—IDHS
Krystal Hackney—IDHS
Marc Torbeck—IDHS
Alex Straumins—IDHS
Jeff Larmore—Local Government Representative

WELCOME AND INTRODUCTION

Mr. Ian Ewusi welcomed everyone to the Fiscal Committee meeting and requested a determination of a quorum.

QUORUM

Ms. Buster indicated a quorum was present.

CONSIDERATION OF MINUTES

Mr. Palin made a motion to accept July 11, 2016, meeting minutes and seconded by Mr. Beier. Mr. Pridgen mentioned that the date of the Fiscal Committee meeting minutes read July 11, 2016. The Fiscal Committee verified that the last meeting held was on July 11, 2016. No further discussion occurred. All present were in favor.

OLD BUSINESS

Mr. Ewusi reported that there was no old business on the agenda for this meeting. Mr. Ewusi opened the floor for any old business. No further discussion occurred.

NEW BUSINESS

2018 Fiscal Year Budget

Mr. Ewusi presented two documents before the Fiscal Committee members, the 2018 Fiscal Year Budget and a supporting document highlighting derived IERC funds. He advised that line item one represented 10% of the derived funds collected from the Tier II reporting facilities and line item two was undistributed funds from the non-compliant and inactive LEPCs. He further advised that in previous years the IERC ensured funds were separated to determine the IERCs budget.

Mr. Ewusi reported that the total amount of \$126,019.88 went into an account set aside for the IERC. Mr. Ewusi opened the floor for questions. Mr. Palin requested clarification on the \$126,019.88 and Mr. Ewusi verified that it was 2017 funds that were collected by the Indiana Department of Revenue (IDOR) and allocated to the IERC account. Mr. Ewusi reiterated that the IERC received 10% of funds collected by Tier II reporting facilities.

Mr. Ewusi advised that \$60,809.59 represented 10% of the amount collected from Tier II reporting facilities. He further advised that \$65,210.29 represented the amount from LEPCs that were inactive or non-compliant. Mr. Heflin reported that 78 LEPCs were funded in 2017. Mr. Ewusi discussed the IERC 2018 Fiscal Year Budget and reported the ending balance as \$715,043.12 which accounted for the \$126,019.88. Mr. Palin inquired if that figure included the undistributed balance from the inactive and non-complaint LEPCs. Mr. Pridgen and Mr. Palin recommended to separate the legal fund balance with asterisks next to each line item and include funds carried over from previous years. Mr. Ewusi pointed out the appropriation listed on the report as \$71,407.00. He reported that the allotted spending amount as \$151,600.00.

Mr. Ewusi noted the bottom of the fiscal year budget with two asterisks and reported that the Indiana Department of Homeland Security Chief Financial Officer (IDHS CFO) would augment the report to meet the allotted spending number. Mr. Palin inquired if the line items, and expenditures were additional and contractual amounts, Mr. Ewusi confirmed. Mr. Ewusi pointed out the personal services of \$60,000 was approved at the last meeting. He advised that the amount needed to be added due to Memorandum of Understanding (MOU) difficulties and money not transferring correctly. He reported that IDHS had not budgeted that account and had moved funds from the IERC account to another account.

Tier II Manager (Maintenance charge)

Mr. Ewusi reported that the IDSi maintenance fee for Tier II manager system was \$48,000. He advised the first two years the IDSi maintenance fees were no costs and that two years ended last year. He reported that the payment created the contractual amount to increase to \$68,000. He further reported that an additional \$25,000 was appropriated for the new Tier II LEPC reporting module. Mr. Ewusi advised that the IERC previously approved the \$25,000 funds, \$20,000 were for the development of the LEPC portal and \$5,000 as the maintenance fee. He reported that \$68,000 would be spent on the Tier II Manager system this year. He further reported that \$48,000 was for Tier II Manager and \$20,000 was for the Tier II LEPC module. Mr. Pridgen asked how much would be spent on Tier II Manager this year. Mr. Ewusi explained this year the IERC will spend \$68,000 on the system. Mr. Pridgen asked how much would be spent yearly from the budget

on the Tier II Manager. Mr. Ewusi advised this year's budget was \$151,600 and generally the IERC falls below the allotted budget. Mr. Pridgen verified that \$151,600 would be subtracted from \$667,890 and the unallocated funds would carry over to February of 2019. Mr. Palin and Mr. Beier advised that there was a trend of not spending all of the allotted budgets, but this would not be the case for 2018. Mr. Beier further advised that the line items include personnel services, contractual fees, and equipment totaling up to \$128,600. Mr. Brier requested clarification on how \$71,000 would be appropriated, but \$151,000 was required. Mr. Palin advised that augmentation would be needed by the IDHS Fiscal Section to transfer funds to cover the expenditures.

Mr. Beier elaborated that the annual income was \$60,000, but the IERC would spend \$151,000 in 2018. He inquired about the future goal of maintaining a surplus of funds in the IERC budget. Mr. Ewusi advised that personal services in line item one would not be needed after the next legislative session.

Mr. Ewusi clarified that \$48,000 would be spent annually on the Tier II Manager. Mr. Guedel reported that a statutory change would need to occur to raise facility fees or an alternative measure needed to be developed to pay the Tier II Manager annual maintenance fee. Mr. Ewusi recommended creating a maintenance fee for Tier II Manager instead of process of making a legislative change.

Mr. Ewusi suggested consulting with facilities for their input before increasing or installing a maintenance fee. Mr. Palin advised that a fee increase may significantly impact smaller facilities. Mr. Ewusi advised that all options would be considered. Mr. Ewusi reported that Krystal Hackney acquired information from Ohio and she reported that Ohio already implements a set fee which requires a legislative change. Mr. Pridgen advised that the fee would need to have an even balance that was acceptable to large and small facilities.

Mr. Palin asked what a reasonable fee increase was and Mr. Ewusi advised that \$10 per facility would cover the \$48,000. Mr. Guedel advised that he needed to check into procedures on how to submit a legislative change. Mr. Palin suggested making the change immediately and suggested looking into Florida. He further suggested checking out the mid-west and looking at other states that use IDSi. Mr. Ewusi reported that Indiana uses state statutes to collect funds instead of using funding from grants. He advised that Ohio was a model state to research but they had their pros and cons.

Mr. Ewusi reported that the IERC needed to develop a method to collect funds that would alleviate the \$48,000 maintenance fee to keep a budget surplus. Mr. Palin asked if the \$48,000 maintenance fee would increase over the years. Mr. Ewusi reported that the contract was renewed every two years and the fee could increase over time. Mr. Palin advised that the IERC was unable to go to the legislator year after year to request additional fees to manage the budget. He advised that the budget surplus could last up to five years and a fee increase was a means to collect funds to maintain a surplus.

Mr. Ewusi reported that the surplus could be eliminated if all 92 LEPCs were active. Mr. Pridgen advised that the goal was to have 92 active LEPCs. Mr. Bier advised that the personnel expenditure was temporary, the IERC does not look very business friendly, and a Legislator change was an option or solution instead of turning to the facilities. Mr. Pridgen recommended including this topic

as a retreat item. Mr. Ewusi advised that the facilities could pay a nominal charge of \$5 and the state could match \$5.

Mr. Beier made a motion to approve the 2018 budget and was seconded by Mr. Pridgen. No further discussion occurred. All present were in favor.

LEPC Fund Allocation (Training)

Ms. Smith advised that LEPCs do not want to use their funds to pay for awareness and operations courses and she asked for recommendations to alleviate this cost. Mr. Beier advised that funds to pay for the courses should come from the local level and the IERC could do more to assist. He advised that the IDHS Training Section lacked hazmat training and left paying for training in the hands of LEPCs. Mr. Beier reported that the IDHS Training Section, the IERC, and the State Fire Marshal's office need to discuss this matter and find a solution to assist LEPCs with paying for reasonable courses, training and course material, and training props. Ms. Smith reported that the LEPCs should pay something but should not be required to cover the entire cost of training. Mr. Beier advised that some of the fire training was no longer considered hazmat training. He further advised that awareness and operations training was provided by the State Fire Marshal's Office fire training program.

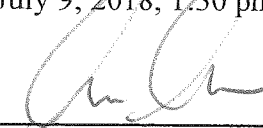
Mr. Heflin reported that each district has a Fire Training Counsel that offers fire training courses and provides funds to pay for classes with a requirement of 15 students. He advised that training should include hazmat programs. Mr. Beier reported that local fire departments were telling LEPCs to pay for hazmat training and recommended developing common operating pictures. Mr. Ewusi recommended tabling the topic for the retreat. Mr. Beier suggested inviting personnel from the Fire Training Academy to attend this portion of the retreat. No further discussion occurred.

ADJOURNMENT

Mr. Ewusi motioned to adjourn the meeting and was seconded by Mr. Beier. All present were in favor. The meeting was adjourned at 10:07 am.

NEXT MEETING

Elkhart County Sheriff's Department
26861 County Road 26
Elkhart, Indiana 46517
July 9, 2018, 1:30 pm



Amy Smith, Chair