

July 31, 2018

The Ellettsville, Indiana, Town Council met for a Budget meeting on Wednesday, July 31, 2019, at 6:02 p.m., at the Ellettsville Town Hall Meeting Room located at 1150 W. Guy McCown Drive. Members present were Brian Mobley, President; Dan Swafford, Vice President; Scott Oldham, William Ellis and Pam Samples. Sandra Hash, Clerk-Treasurer; and Mike Farmer, Interim Town Manager; Jeff Farmer and Amber Ragle were also present. Supervisors present were: Mike Cornman, Danny Stalcup, Jimmie Durnil and Kevin Tolloty.

Mike Farmer, Interim Town Manager, began the conservation on the 2020 budget by thanking everyone involved and explaining that Sandra Hash, Clerk Treasurer, will begin by discussing the 16 line statement, followed by a summarized slide show presentation by Mike Cornman, Fire Chief.

Sandra Hash Clerk-Treasurer presented the following 16-line statement for the General Fund covering the next 18 months. This covers the combined budget for the Clerk's line, Administrative line, Police, Fire and Planning. She added additional comment on line 8b for Miscellaneous Revenue that it consists of revenue from local income tax, excise/alcohol tax, interest, building permits, grading permits, school resource officer, ambulance agreements, franchise tax from cable TV, River Boat gambling, Fire Contract and In Lieu of taxes from Utilities. Anything that is not property tax goes into Miscellaneous Revenue.

16 Line Statement

FUNDS REQUIRED FOR EXPENSES TO DECEMBER 31st OF INCOMING YEAR	AMOUNT USED TO COMPUTE PUBLISHED BUDGET	CIRCUIT BREAKER	INFLATED BUDGET BY CIRCUIT BREAKER	DLGF FINAL ACTION
1. Total budget estimate for incoming year	\$ 2,976,564.30	\$ 91,693.46	\$ 3,068,257.76	
2. Necessary expenditures, July 1 to December 31 of present year, to be made from appropriation unexpended	\$ 1,446,585.51		\$ 1,446,585.51	
3. Additional appropriation necessary to be made July 1 to December 31 of present year				
4. Outstanding temporary loans				
a. To be paid not included in lines 2 or 3				
b. Not repaid by December 31 of present year				
5. TOTAL FUNDS required (add lines 1, 2, 3, 4a and 4b)	\$ 4,423,149.81		\$ 4,514,843.27	
FUNDS ON HAND TO BE RECEIVED FROM SOURCES OTHER THAN PROPOSED TAX LEVY:				
6. Actual cash balance, June 30 of present year (including cash investments)	\$ 1,191,893.64		\$ 1,191,893.64	
7. Taxes to be collected, present year (December settlement)	\$ 498,523.33		\$ 498,523.33	
8. Miscellaneous revenue to be received July 1 of present year to December 31 of incoming year (Schedule on File):				
a. Total Column A Budget Form 2	\$ 850,697.00		\$ 850,697.00	
b. Total Column B Budget Form 2	\$ 1,765,691.00		\$ 1,765,691.00	
9. TOTAL FUNDS (add lines 6, 7, 8a and 8b)	\$ 4,306,804.97		\$ 4,306,804.97	
10. Net amount to be raised for expenses to December 31 of incoming year (deduct line 9 from line 5)	\$ 116,344.84		\$ 208,038.30	
11. Operating balance (not in excess of expense January 1 to June 30, less miscellaneous revenue for same year)	\$ 1,000,000.00		\$ 1,000,000.00	
12. Amount to be raised by tax levy (add lines 10 and 11)	\$ 1,116,344.84		\$ 1,208,038.30	
13. a. Property Tax Replacement Credit from Local Option Tax				
13. b. Property Tax Levy Freeze from LOIT				
14. NET AMOUNT TO BE RAISED BY TAX LEVY (deduct line 13 from line 12)	\$ 1,116,344.84		\$ 1,208,038.30	
15. Levy Excess Fund applied to current budget	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	
16. Net amount to be raised	1,116,344.84		1,208,038.30	
17. Net Tax Rate on each one hundred dollars of taxable property	0.5685		0.6152	
	2019 tax rate .5358			2

Mike Cornman, Fire Chief, presented the following 2020 Town of Ellettsville Budget Proposal

General Fund Operating Balance History

- 2012 \$ 262,289
- 2013 \$ 521,003
- 2014 \$ 594,584
- 2015 \$ 466,415
- 2016 \$ 501,785
- 2017 \$ 435,446
- 2018 \$ 617,010
- 2019 \$ 767,916
- 2020 \$1,000,000 (projected)

The last 9 years we have increased our Operating balance by \$ 737,711

3-year average of unspent appropriations

\$ 181,777.00

Rainy Day Fund 2020

\$ 182,840.41

List of Budget Increases per Department 2020
(Includes Wages and Benefits)

General Fund

• Administrative	\$ 12,500.48
• Planning	\$ 54,381.25
• Fire	\$106,795.74
• Police	\$ 66,877.07
• TOTAL	\$240,554.54

List of Budget Increases per Department 2020 2 of 2
(Includes Wages and Benefits)

All Other Funds

• MVH	\$ 1,865.18
• Parks	\$19,500.00
• Local Roads & Streets	\$12,000.00
• Cumulative Fire Fund	\$28,000.00
• Law Enforcement Fund	\$ -2,100.00
• CCD	\$ 6,000.00
• Stormwater	\$-10,265.90
• Public Safety LIT	\$ 2,565.51

General Fund Revenue Increase 2020

• Growth Quotient Factor (3.5 %)	\$ 40,924.98
• Richland Township	\$ 18,449.00
• Utilities (in lieu of taxes)	\$ 41,400.00
Currently pays \$35,500.00 annually	
• Building Permits est)	\$ 21,000.00
• Local Income Tax (est)	\$ 50,000.00
• Increase in interest	\$ 15,000.00
• TOTAL	\$186,773.98

Reduction to Cash Balance

\$ 53,780.56*

* Does not include Circuit Breaker

Wage and Benefits Increases

• Administrative	\$13,581.46
• Planning	\$45,281.25
• Fire	\$76,505.74
• Police	\$58,287.07
• General Fund Total	\$193,655.54
• MVH	\$(63,158.57) Reduction

Cost Increase for People Receiving More Than a \$2000.00 Raise

• Planning Director	\$ 6,691.38
• Assistant Planner	\$ 4,052.80
• Clerk-Treasurer	\$ 1,835.60
• TOTAL	\$12,579.78

Cost Increase for 1 Additional Firefighter 1 of 3

• Personal Services	
• 2019 (7 F-T FF's)	\$332,469.70
• <u>2020 (8 F-T FF's)</u>	<u>\$395,965.37</u>
• New Firefighter Pay	\$ 47,038.48
• <u>\$2000.00 increase X 8 FF's</u>	<u>\$ 16,000.00</u>
• TOTAL	\$395,508.18

Cost Increase for 1 Additional Firefighter 2 of 3

• Employee Benefits (est)	\$ 29,021.85
• New FF Starting Pay	\$ 45,038.48
• TOTAL PACKAGE	\$ 74,060.33

How Much Additional New Firefighter 3 of 3

• Personal Services	
• 2019 (P-T FF's-7 FTE)	\$252,128.43
• <u>2020 (P-T FF's-6 FTE)</u>	<u>\$234,962.28</u>
• Reduction in PT line	\$(17,166.15)

Mike Cornman clarified and answered questions from the council regarding the current hourly rate, turnover and hours worked for part time firefighter and the percentage of the proposed increase.

William Ellis suggested hiring an outside consulting firm to do an outside wage study to compare wages and salaries from other Towns. This could better determine raises or increases based on what was comparable. **Dan Swafford** agreed. **Sandra Hash, Clerk-Treasurer**, mentioned she receives a yearly printout from IACT (Indiana Association of Cities and Towns), now AIM (Accelerate Indiana Municipalities) that compares our Town to other Towns our size. She can share that digitally with anyone interested. The Fire Department cannot be included in that report due to mileage and the different services offered. An outside company would be better equipped to cover those differences and do a more thorough review of job descriptions to reach the goal of better recruitment and retention that has been a struggle in the past.

Scott Oldham suggested to also keep in mind the PSLIT (Public Safety Local Income Tax) increase that is expected that could be anywhere from a \$20,000.00 to \$30,000.00 increase to the Town for our guaranteed share. Those numbers are expected in any day.

Brian Mobley questioned the increase in Healthcare. **Sandra Hash** explained the Police Department was going to be short this year in their insurance line, so she must cover that. In addition, when the budgets are prepared, the Workers Comp renews in October and the Insurance in December, so she has no idea what the rate will be for the next year and there is never any guarantee on rates based on past experiences and changes within the plan. She had to add some \$5,000.00 to \$10,000.00 cushions to protect us. She elaborated a breakdown for Fire adding a possible new fire fighter and MVH (Motor Vehicle Highway) was decreased due to the creation of Public Works Department. The Street Department and the Utilities Department wages and benefits were combined and split 3 ways, decreasing MVH and increasing Utilities.

William Ellis questioned the increase in Legal Fees for the Planning Department. **Sandra Hash** explained that there had been several challenges on code enforcement issues made within the Planning Department adding to legal fees. Currently those additional fees are being paid from the Clerk Treasurer's line resulting in a requested increase to the Planning line to accommodate those fees in the future. **Darla Brown, Town Attorney**, has specified things outlined in her contract and these were above and beyond are billed separately.

Kevin Tolloty, Planner, explained the new part time position that is half of his budget increase. His plan is bringing back the Building Department into the Town instead of running it through the County. It is approximately 20 hours a week and any additional to supplement re-establishing that department. The projected revenues were considered in their numbers.

Jimmie Durnil, Parks Board President, explained the increase of \$19,000.00 is for trail improvements and a parking lot. It is a general increase due to taking on the Old Towne Hall and being short this year in electric and for improvements to the trail and adding the parking lot. They hope to add some playground equipment and possibly a future shelter house once the fund is at a healthier level. There are some grants in the works that could help with those amenities.

Brian Mobley questioned Local Roads and Streets increase from \$58,000.00 to \$70,000.00. **Sandra Hash** explained this is raised as cash allows and fully funded by the state nothing else contributes to that. The increase is for equipment needed. Raising the balance from \$97,000.00 there is still a balance of \$107,000.00 available. Some of the recent purchases were made through the Department of Public Works consolidation saving the Town a considerable amount and future equipment will be considered as well. **Sandra Hash** said she will get a price and we should have money left at the end of the year for that. That will be addressed later.

Brian Mobley inquired about the assistant Planner increase. He feels her position should be in accordance with everyone else at the \$2000.00 yearly increase. He doesn't believe that just because she isn't at the same pay level as everyone else that it warrants that kind of increase.

Why is she considered, but the Fire Department suffers in hiring the help they need. He also inquired about his request for security cameras at Townhall and that also needed consideration.

Mike Farmer, Interim Town Manager, disagreed. He feels Denise Line has done a lot for the Town in writing grants, receiving a great deal of money for paving and various things. She has done a lot of extra work for the new trails on top of her regular job and all the code enforcements. He foresees a lot of additional work in the future of this Town that we will depend a great deal on the Planning Department. He feels it is the least the Town can do to at least bring her up to the other departments pay level. Our whole budget is based on recruitment and retainment and he can't say enough about her and feels it would be in our best interest to accommodate this request. He does agree we should proceed with the wage study and feels like the council will be surprised at the different levels of adjustments that would be needed.

Kevin Tolloty, Planner, also agreed with **Mike Farmer**. He stated many duties have been added to the department lately and he cannot afford to lose her. She is the best assistant he has ever had and honestly feels the requested raise is still short of what he would like.

Scott Oldham made a point that the Town's total budget is \$4,359,426.00 and the requested raise is less than 1% of our entire budget. We need to pay for talent, and we need the retainment. He feels that collectively the supervisors and everyone before them are the reason we have a projected \$1,000,000.00 general operating fund balance and if they feel someone deserves that type of raise and it can be budgeted it should be done based on history alone.

Sandra Hash, Clerk-Treasurer added comments that Denise has slowly worked her way up in the Town and that is the most budget friendly way to raise her salary. Basically, saying that supervisors don't always get to start their employees where they want them and will be conscience of the budget so when they can allow raises, they try to do better for them.

Dan Swafford feels the constant catching up of the salaries is endless and firmly believes this is a perfect example of why we need to do the outside wage study to correct these types of issues every year at budget time. He does agree that if a person's job description does change, they should be compensated.

William Ellis feels that in the future if they are going to mention names during a discussion of wage increase request it should be determined in an Executive Session instead of a public meeting to avoid hurt feelings. Discussion ended with **Mike Farmer** stating will check to make sure that falls under the requirements for an Executive Session.

Jeff Farmer presented the budget for Utilities. Wastewater has an increase due to the Department of Public Works being split by thirds. The total budget estimate increased \$95,000.00 from payment in lieu of taxes and absorbing the employee from Street Department after the creation of the Department of Public Works. He has a projected revenue of \$1,650,000.00. For the past couple of years Eastern Richland has not been paying the increase on the wholesale rate but is supposed to start paying the correct rate and catch up from April. There is a loss but based on the advice of our lawyer, we will have the independent study done and accept the outcome. Overall the budget increases, but with all considered, they should not technically be over budget. The current O&M balance for Wastewater is approximately \$469,000.00 coupled with the capital is \$1,300,000.00 for the Sewer. Water budget have mostly the same increases as Sewer for the same reasons. Starting out, budget was below budget for last year. Materials and Supplies increased \$100,000.00 from 60 new homes that were built in Ellettsville and new water services supplies being expensive, but it does come back as revenue. Total budget after all increases and decreases has an increase of \$51,000.00 with an expected revenue of \$2,100,000.00 and believes to be below budget again this year by \$50,000.00.

Final Comments

Dan Swafford expressed interest in further discussion at a second meeting for adding the wage study to this year's budget and for some of the wage increases. Council is divided on the wage increases and doesn't agree having a second meeting will solve the issue but only repeat the argument. **Brian Mobley** made a motion to take a census for the 2020 budget. **Scott Oldham** so moved. **Brian Mobley** seconded. Census will accept the budget as is with no further meetings subject to amendments. Motion was withdrawn due to differences of opinion. **Brian Mobley** disagrees with some of the wage increases and feels we should add an additional firefighter. **Dan Swafford** would like further discussion for adding the wage study and the wage increases. He strongly disagrees with adding the extra increases. **Mike Farmer** strongly disagrees with adding the additional firefighter and encouraged the wage increases. **William Ellis** is ok with adding the wage study. **Scott Oldham** votes yes to wage increases and adding a firefighter with an additional firefighter next year and no additional meeting. **Pam Samples** agrees with the \$2000.00 across the board wage increases but agreed with Dan Swafford on the additional wage increases and feels the Police and Firefighter's should be our main priority. **Sandra Hash** believes that adding the wage study should be able to be added this year, she will have to get some prices so she can make any adjustments needed. After much disagreement and back and

forth discussion regarding the wage increases, it was decided the wage study, even if it happens this year will not impact these increases at hand but for deciding on future increases. Agreement was made for supervisors and council members to further study the information pertaining to increases and the budget and will be discussed at the next scheduled council meeting instead of having a second Budget meeting next week.

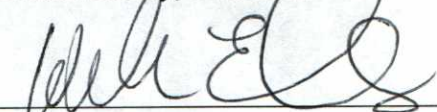
Brian Mobley made a motion to adjourn. Scott Oldham seconded.
Meeting was adjourned at 8:21 p.m.



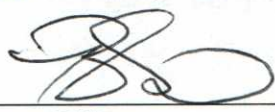
Brian Mobley, President



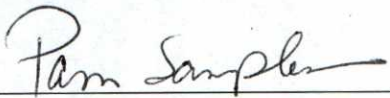
Dan Swafford, Vice President



William Ellis



Scott Oldham



Pam Samples



Sandra C. Hash, Clerk-Treasurer, IAMC, MMC