

July 26, 2017

The Ellettsville, Indiana, Town Council met for a budget meeting on Wednesday, July 26, 2017, at 6:00 p.m., at Ellettsville Town Hall. Members present were Scott Oldham, President; Brian Mobley, Vice President; Kevin Farris, and Scott Thomas. Brice Teter arrived late. Jim Davis, Town Manager, and Sandra Hash, Clerk-Treasurer, were also present. Supervisors present were Mike Cornman, Jimmie Durnil, Jeff Farmer, Mike Farmer, Danny Stalcup and Kevin Tolloty. Scott Oldham called the budget meeting to order.

Jim Davis, Town Manager, explained it was realized at the meeting on July 19, 2017, the Town had a deficit of \$100,000 at the end of June 2017. There were several meetings with Mike Cornman, Jimmie Durnil, Sandra Hash and Kevin Tolloty. The meetings resulted in the conclusion the Town doesn't need to spend as much money. Therefore, he asked the supervisors to be cautious with their spending for the remaining six months of 2017. His theory is if there is money left at the end of 2017, it will help with the deficit. The meetings resulted in the following:

- Clerk-Treasurer Budget: 49¢ reduction in current year budget.
- Planning Department: \$618.64 reduction in current year budget. There is an increase in the Planning Director's salary. He suggested they ask for a third this year and a third for each of the next two years. Denise Line's salary will have the same rate of increase.
- Fire Department: \$8,686.53 increase in personal services. Employees were moved from the General Fund to the Local Income Tax ("LIT"). One full time employee plus benefits to the LIT resulted in a reduction. There is a deficit from Richland Township ("Township") in the Fire Department contract. The Fire Department needs to get back up to the staffing it had prior to 2016. There are seven part-time positions. The budget was increased in the part-time line to within \$1,000 of the 2016 budget of \$245,000. Although the Fire Department has approximately 20 to 30 part-time employees it only covers seven positions. Mr. Farris asked if next year is the last \$90,000 deficit from the Township. Mr. Davis answered the deficit will be ongoing until the Township can recover. The Trustee is asking for the Growth Quotient Factor ("GQF") which will raise what the Fire Department receives from the Township. Chief Cornman added the proposed contract for 2018 includes 4% GQF and raises the contract to \$509,000. The 2017 contract is for \$490,033. Mr. Oldman asked the amount of the original contract for 2017. Chief Cornman itemized the Township contracts: 2014: \$548,805 and 2015: \$564,171. The Department of Local Government Finance ("DLGF") told the Trustee to freeze the contract for 2016. Contract for 2016 was \$564,171. DLGF told the Trustee to reduce it by \$100,000 for 2017 but he only reduced it by \$74,000 because he used the GQFs from 2015 and 2016 which added the additional \$25,000. Therefore, the 2017 contract was for \$490,033. Mr. Davis explained the Fire Department needs money for PTO and sick time for which they have approximately \$15,688. An outline of equipment purchased by the Township totaling \$1.2 million since 1983 was presented. Mr. Thomas asked if the Fire Department budget is operable without \$74,000 from the Township. Mr. Davis answered yes, with the LIT. Chief Cornman added with the GQF the contract will be for \$509,000 and IU Health's contract is \$59,000. The Township is paying 43% and IU Health is paying 5.2% of the Fire Departments budget.
- Police Department: \$54,728.58 reduction. An officer was moved to LIT. The Police Department wants to increase the detective's salary, increase the part-time deputy salary by \$24,500, and an increase of \$4,000 for an administrative assistant. This results in a decrease of \$54,728.58.
- Police and Fire Departments will have the same amount of LIT which totals \$151,375. The Town should receive \$159,000 from the LIT, if the amount remains the same as this year, so there will be a surplus. Mr. Thomas asked if the police officer's base salary of \$54,000 plus \$33,000 is being moved to the LIT. Mr. Davis answered yes. Chief Cornman explained \$65,000 from the Fire Department and \$86,000 from the Police Department will be moved from the General Fund to the LIT.
- Jim Davis continued. The decrease of \$54,618 added with the 2018 projections of \$43,000 is approximately \$98,622. The circuit breaker may cause this amount to vary.

- MVH the only increase was in Roads and Alleyways, which was increased by \$65,000 due to the new state requirements to increase spending on roads. Local Roads and Streets has a \$70,000 increase from the state.

Scott Oldham asked the total of the reversion money from the departments at the end of 2016. Ms. Hash answered it was \$167,427 in the General Fund. Mr. Davis noted this will not happen in 2017 because the supervisors have agreed to reduce this year's budget. Mr. Oldham asked if this budget satisfied Mr. Davis' concerns he addressed at the Town Council's last budget meeting. Mr. Davis answered yes, to the best of their abilities. Mr. Oldham asked the Fire and Police Chiefs if they have concerns about manpower and equipment in the budgets being submitted. Chief Cornman is concerned the increase in call volume over the last 10 years has exceeded the amount of personnel. They need to review EMS calls and find out if they're sending the correct resources to the calls. Operationally, at a minimum, he is okay with the budget. Marshal Durnil is fine with the budget but has a concern about fuel consumption.

Brian Mobley thanked Mr. Davis for his presentation. Brian thinks every employee should have a raise and not just a few. He presented a list of proposed reductions which reduced the General Fund by about \$40,000. Brian went through his suggested reductions by department. Both Scott Oldham and Scott Thomas reiterated the supervisors had the liberty to move the budgets around as long as they don't exceed their 2017 budgets. Brian feels the Fire Department should have an additional fulltime officer rather than several part-time officers.

Scott Oldham wanted to discuss the televised coverage provided by Community Access Television Station "CATS". He would like to put this service out for bids. He feels \$16,000 is a lot to cover the few meetings Ellettsville has. Sandra explained the Town receives about \$58,000 per year from the franchise fees and this is what pays for the CATS agreement. After a discussion, it was decided to change the name of the CATS TV budget line to "Telecommunication Services". This would allow time to review the CATS agreement.

Jeff Farmer proposed that Ellettsville Utilities could possibly pay a portion of the Planning Department budget to aid the General Fund when Planning did mapping or work pertaining to Utilities. It would have to be documented and approved by the Town Council. Mr. Thomas would like for it to be discussed with the Town Attorney.

The Planning Department is requesting a raise for the Planner and Assistant. Both Scott Thomas and Brian Mobley feel all employees should get a raise not just a few. Jim Davis intervened that the Planner had been hired in at a reduced rate. It will take 3 years at \$4,000 per year to get his salary up to the other supervisors. He is a Certified Planner and is representing the Town at a professional level. Keven stated he is giving up the position of Code Enforcement Officer to offset the increase in the salaries. Scott Thomas stated he is not opposed to giving a raise for a job well done, but he is not in favor of giving a raise just because all the other supervisors make that wage. It should be based on the job requirements.

The pay increase for the Police Administrative Assistant also created a long discussion. Jimmie Durnil stated he could not reduce his budget any more without causing problems for the Police Department operations.

Kevin Farris stated the supervisors have worked their budgets to maintain the 2017 level as much as possible. We should accept their suggestions since they have met our request and not second guess them.

Sandra Hash explained even with the reductions the budgets still exceed the proposed revenue for 2018. She also showed the Council a report stating the differences between the actual revenue and expenses for the years 2013 through 2016. In those four years the general fund received \$144,755 more than was expended. In 2016 alone the cash balance increased \$46,147. When the budgets are done in July and August the revenue and expenses are estimated. There are so many variables it is important to look back at the history or actual figures. The supervisors do not spend 100% of their budget annually which boost the cash balance. In 2016 the General Fund had \$167,000 in unspent appropriations. Since 2013 the Town has added a Town Manager, School Resource Officer, a second Police Assistant Chief, full time equivalents to the health insurance, raised two assistants from part time to full time, spent \$104,000 on Heritage Trail and given employee raises all four years. As the Town Manager has pointed out, the expenditures have exceeded the revenue by \$100,000 the first

half of this year. There are dips in June and December, we receive our tax settlements and the balances go back up. It is not an exact science, we need to look back at the history and over the years it has worked out. In 2009, our operating balances were at zero due to the removal of the business inventory tax from the assessed value. Since then the operating balance has grown back to about \$500,000.

After a short break, the Council members each gave their opinion on the budgets.

Kevin Farris stated he would like to stick with the supervisors recommendations.

Brice Teter apologized for being late due to another commitment. He then stated the Council asked the supervisors to hold their budgets. He thanked them for doing what the Council had asked. He would like the supervisors to run their departments the way they think it should be run. If they feel their employees should get a raise and they can find it within the existing budget then they should be able to make that decision.

Scott Thomas feels the Council has continued to expect the supervisors to do more with less. We need to grow the revenue to better meet the needs of the Town. He will continue to ask questions to better understand the operations of the town. If the supervisors can run the departments with the budgets they have presented then he is fine with that. He applauds Brian’s ideas of where to save, but feels the supervisors have a better understanding of their needs. He is sad we do not have the revenue to give the employees raises, but this is our reality and we have to work within our parameters. We need to look at how we can grow the Town to help the supervisors provide the good services they deliver. He thanked them for their good work.

Brian Mobley explained he is striving to have a balanced budget. Brian has worked as an employee for the Town and he struggles with giving some individuals raises when not all the employees are getting a raise. He is going to stick with his beliefs that there are some budget items that could be reduced to allow all employees to have a raise. The cost of living continues to grow, but our employees’ salaries as a whole will not. He is just not okay with that.

Scott Oldham stated the supervisors did a great job doing what the Council asked of them. Brian also did a great job finding reductions. He may not agree on how much or where, but it needed to be discussed. Over the years it has been a very big growing experience, both on what he does professionally on one end and what he does here on the other end. The one conclusion he keeps coming up with is Ellettsville does such an incredible job with so little compared to the cost the City has for providing the same service. He has also learned the more control you give away the more control you gain. The superiors know best what is needed. They are the experts in their areas. He would prefer to go with the supervisor’s suggestions.

Mike Cornman added the Cumulative Building Fund will need to be reestablished in the near future to help build the tax rate back up to 3%. He also said there are several equipment issues and needs that will be coming up in the future which should be funded from the Cumulative Building Fund.

Meeting was adjourned at approximately 8:15 p.m.

Scott Oldham, President

Brian Mobley, Vice-President

Kevin Farris

Brice Teter

Scott Thomas

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