

July 30, 2014

The Ellettsville, Indiana, Town Council met for a budget meeting on Monday, July 30, 2014, at 6:00 p.m., at the Fire Department Training and Conference Room. Members present were Scott Oldham, President, Dianna Bastin and Scott Thomas. David Drake and Dan Swafford were absent. Sandra Hash, Clerk-Treasurer, was also present. Supervisors present were Mike Cornman, Tony Bowlen, Connie Griffin and Jeff Farmer and Mike Farmer. Danny Stalcup also attended the meeting to represent the Street Department.

Year 2015 Budgets

The Supervisors presented their 2015 Budgets to the Council for review and the discussion was as follows. Jim Davis, Town Manager, moderated the meeting.

Department of Planning:

Jim Davis, Town Manager, explained the budget presents a total increase of \$4,231. There is a \$7,000 increase in legal services, a \$5,000 increase for the Americans with Disability Act (“ADA”) and \$300 for other supplies which are mostly offset by a decrease in health insurance.

Connie Griffin, Director of Planning, explained the ADA includes postage of \$100, office supplies of \$420, \$80 for fuel, \$300 for training, \$100 for advertising, and \$4,000 for ADA improvement. The \$300 is the only increase out of the original budget. This is for unexpected expenses which would be frozen unless it needs to be used for something such as DNR notices. This is a 3.25% increase of the budget. Ms. Hash noted \$7,000 for legal expenses and \$2,000 for the ADA were transferred from the Clerk-Treasurer’s budget. Ms. Bastin remarked the Parks Board and Street Department would be responsible for any improvements falling under their purview. The Town Council preferred if money is needed for ADA grants that they are approached at that time rather than budgeting for the same. The \$4,000 for ADA was removed.

Heritage Trail:

Jim Davis, Town Manager, advised there is a deadline of September 12, 2014, for completing the acquisitions and having the paperwork sent to the Indiana Department of Transportation (“INDOT”). Darla Brown, Town Attorney, has talked to Nicole Curry at INDOT and it might be possible to push the date back to the end of September. If the Town does not proceed with the bridge project there will be no financial consequence according to Brandi Fishvoght of INDOT. The Town has not put in a purchase order or/and has not asked for reimbursement of any costs on the bridge. If the Town does not build the bridge it can proceed with acquiring property at its leisure. Therefore, there would not be a September 12th or September 30th deadline. Mr. Oldham stated they’re at the point they need to decide whether or not they want to build the bridge because the property acquisition has been more than originally anticipated. Mr. Davis continued. If the Town wants to build but decides to push the project back then it can obtain funding later according to Ms. Fishvoght. The bridge funding would come from the Metropolitan Planning Organization “MPO” and the Town will have to ask them. Josh Desmond at the City of Bloomington handles the MPO matters and Ms. Fishvoght needs to clear this with him. Scott Robinson with City of Bloomington Planning said it might be possible to push the bridge back from FY 2015 to FY 2016. Ms. Griffin advised there were modeling issues with the hydrology study. The Department of Natural Resources (“DNR”) wasn’t happy with the surcharge not being able to make the 90° turn. Schneider will have to insert new numbers and data into the hydrology study. Mr. Thomas asked if the new numbers could change the design of the bridge and increase the costs. Ms. Griffin replied yes because they may have to raise the bridge. A building has been demolished on Vine Street which may change the surcharge. The time limit to enter the new numbers will be two weeks. This is one of the items in the contract Schneider did not allow for so they may request funding. The trail has been one failure after another on the part of Schneider for which the Town has paid a lot of money. There has to be a failure to deliver clause in the contract. Ms. Bastin does not think it’s all Schneider but an epic failure on the part of the Town. Every time they meet on the trail, they have to wait on something. She wants the trail but is beginning to think that Ellettsville can’t do it and she has no faith.

Mr. Thomas agrees and thinks the failure has been all around and also lies with prior boards not moving it forward and getting things done. He has a fear of people getting struck on the highway trying to jump the curbs to go to a sidewalk to get to the trail. There are a lot of expenses the Town is looking at including a new Town hall which would be a much better use of citizens' funds. He doesn't think it's in the best interest to build the trail at this time.

Sandra Hash noted the Town is down to \$12,000 in the Build Indiana money. Another \$70,000 is needed for property acquisition. They started at \$60,000 and the last INDOT reimbursement is approximately \$4,000. There was a contract with Main Street for their portion of the Schneider contract which they have paid. They need another contract with the Town before giving any more money. Main Street has some money to pay on Phase 2 "the bridge" but I am not sure they have additional money for Phase 1. Smithville Telephone has given Main Street a grant for amenities on the trail. Ms. Griffin understands that Main Street has \$25,000 for half of the matching set aside for the bridge. Mr. Davis was under the impression that Main Street has \$25,000 for the matching and a grant for \$25,000. Mr. Oldham thinks they will have to have a meeting with everyone on the Heritage Trail. He is not in favor of the bridge. Jim Davis said Ms. Brown told him she has five properties waiting on funds. Ms. Bastin said at this point they could get rid of the government and let the employees build the trail after the easements have been purchased. Mr. Davis will schedule the meetings with Main Street, Town Council and supervisors. Mr. Oldham asked if the MPO would pay for the trail. Ms. Griffin replied she doesn't think so because they left the process so no more federal funding is available.

Wastewater - Budget:

Jim Davis explained there is a \$25,500 increase in wastewater.

Jeff Farmer, Ellettsville Utilities, advised Purchased Power has decreased and contractual services, insurance and transfer for bond ordinance have increased. The total for the budget increase is \$25,500. Projected revenue is \$1,950,000. Currently, there is \$260,000 in their Operations and Maintenance budget, approximately \$250,000 in their capital improvement budget and \$58,000 in the vehicle budget replacement fund. At the end of 2015, the sewer plant payment of \$59,500 per month will cease. Therefore, they will not be asking for a sewer increase. They are at 53% capacity.

Dianna Bastin asked if the increase for sludge removal was sufficient. Mr. Farmer answered yes, at this point. He is looking at new green technology to turn it into Class A sludge which will turn into fertilizer and eliminate the need for a landfill.

Water - Budget:

Jeff Farmer, Ellettsville Utilities, is going through a rate increase with water. Purchased water is \$760,000 which is doubling what was spent in the first half of the year and increasing it by \$50,000. The utilities are beginning to see the benefits of a leak detection program. Repairs and maintenance have been increased. Transfer of fund has been reduced by \$15,000 because of the cell tower rental. Cell tower fees will almost pay for tank maintenance. The Transfer for Bond Ordinance of \$109,000 will be rolled into the bond for the transmission line as soon as the rate increase is done. There is a total increase of \$57,500 due to the increase of purchasing water. Estimated revenue is \$1,746,000 which is projected to be \$20,000 in the red. That will be fixed after the rate increase.

Scott Thomas asked if they have proceeded with putting on the measuring devices for the lines coming in from the other systems. Mr. Farmer replied they have. They can see them instantaneously on their cell phones and they can do daily report with graphs of flow versus rain.

Street Department – Consolidation Proposal:

Jim Davis explained the consolidation proposal will make changes. The proposal does not replace the current position vacancy. The Street Department would also lose an employee who would go to Utilities. This happening at budget time can save the General Fund

\$100,000 which would move from MVH to the General Fund. This is basically the salaries and benefits of two employees. This is the only time of the year it can happen.

Jeff Farmer explained they will not be replacing the open position which is a big savings. Danny Stalcup is concerned about losing an employee. They will not take a man out of the Street Department and move them to Utilities. What they are really trying to do is move 2,080 hours from the Street Department into Utilities for times they may need them which would save approximately \$63,000 in the Motor Vehicle Highway "MVH" Fund. They don't have a certain guy they need or want. There may be a day the whole crew is working for them which would be paid out of Utilities instead of the MVH Fund. If the Street Department needed the employee the whole time and it didn't work out, the Town wouldn't save money. They are still saving an initial \$70,000 by not filling the open position. There's the potential to save more if for some reason Utilities would need more people.

Danny Stalcup's concern is they're already down a man. Then, Utilities is still going to have a man and another one will go when the water project starts which will take them down three guys from where they were. When it's nice weather everyone will want the additional employee. He will be short because the guys will be gone. If it's a rainy season and the Street Department has a lot of work built up so will Utilities. When the weather is so they can work, he will be two guys short and he will have projects he needs them on.

Mike Farmer thinks the reason they might want to consider this is because they're proposing to manage the Street Department. They're good at time management and prioritizing. Through good time management all of these concerns will go away. The normal and usual have to be taken care of. Some of it is duplicated by the Indiana Department of Environmental Management ("IDEM"), needs of customers and sometimes it's an emergency.

Dianna Bastin understands Mr. Stalcup's concerns. It's leaf season and that's when he needs his guys. Are they saying when the need is there those people will be there to pick up leaves? Jeff Farmer replied not only will they be there but if they're using three or four of his guys for the big project and he comes to them they will sit down and try to work it out. The worst case scenario is they did all of their work and Utilities did all of their work and they didn't save any hours. The Town is still going to save \$77,900. If they can work with Mr. Stalcup and Brian Miller being the scheduling people, they hope to be able to save more. They're going to take guys who are making \$20 an hour off of lawnmowers. Mr. Stalcup told him that's six to seven hours a week. But, that's five guys at six to seven hours a week which total 30 hours. Their plan is to try and help the General Fund. Danny Stalcup will still be in charge of the Street Department. Most people won't be able to tell a difference until they move in together and it becomes one department. To answer the initial question, when that time comes, he may send four or five of their guys with the Street Department guys. It will take a couple of years to balance out. They're not interested in cutting into their overtime for snow plowing for the first couple of years until they work it out. Certainly, they will have the back up. Mr. Oldham asked if, for example, they have a foot of snowfall the Town may wind up with an entire crew plowing snow. Mr. Farmer replied that's correct. Mr. Oldham asked then two weeks later and everything thaws and they have 12 main breaks will they end up with a whole crew doing the repairs. Mr. Farmer answered that's correct. Mike Farmer added if Utilities is doing a secondary water line and they have some of the Street Department guys and it's time to do leaves the Street Department guys will go back to that and Utilities will continue working until leaves are done. He reiterated it's time management.

Danny Stalcup hopes everyone understands leaves and snow are not the only things they do. Sometimes there are jobs they need more guys other than leaves and snow. For example, school has started up so they trim trees for the school bus drivers. It takes at least four to trim trees. Mike Farmer said that's a good example. Today the sewer crews had hose pulling which takes four or five men instead of the two it takes to clean sewers. On days like today, the Street Department would get the extra guys and Utilities would do the normal work that takes two men. Jeff Farmer remarked they could do this for one year or ten years. Down the

road they could say this isn't working out and could go back to the way it was and it won't cost a thing.

Sandra Hash said on the bottom line of the proposal it states Bynum Fanyo Utilities will not increase their managerial contract in 2014. We are budgeting for 2015. Do they need to budget for an increase in 2015? Jeff Farmer answered no. Mr. Thomas asked when the contract for Bynum Fanyo is up for review. Ms. Hash answered it is 2017. Mr. Thomas noticed the projections went to 2019 but there were no increases or costs for doing the extra work. Through the time of the contract, or 2017, do they not foresee additional costs for doing this work? Mike Farmer replied he doesn't know. They talked about it and, obviously, there will be a time when they want to talk about the 2017 date. As far as getting this off the ground they wanted to keep it simple with no increases. Jeff Farmer added they're going to do it for what they're getting paid. They've felt like the Town has been good to them for a long time. They would like to prove their worth even more. When 2017 comes it will be up to the Town to talk to them about a contract extension. But, they'll prove their worth. They just want to work here. Mike Farmer said everybody should realize this concept doesn't just alleviate budget concerns for the Street Department but it also helps Utilities stay lean and it's a nod of a hat to the rate payers. If they stay lean in Utilities and through attrition lose some people they can still function and it helps the Utilities budget. It's not just for the Street Department and Utilities but for the Town in general. This is a concept the Council should embrace and it should be to their and the Town's advantage and if it's not then they shouldn't do it. Ms. Hash said Jim Davis told her they could remove two full time positions from the budget. If they have to pay the Utility workers to plow snow they will have to code their time sheets accordingly and vice versa for the Street Department. She doesn't think two men should be removed from the 2015 budget. Jeff Farmer stated they're leaving Jim Ragle's position vacant and then there are 2,080 hours they hope to bill out of Utilities.

Scott Thomas asked what Kip Headdy wants to be second in command of. Jeff Farmer answered currently, he is Mr. Stalcup's second in command at the Street Department. Most all departments have a department head and an assistant. Mike Farmer stated in Utilities Brian Miller is their working foreman and in charge of day-to-day operations and a lineman, Tom Cornman, is the foreman when Mr. Miller is not around. Mr. Davis thinks this will cause some problems as any change would. They have to look at the monetary gains. The people working together won't be a problem but they will have to juggle people which will be difficult because of less personnel.

Dianna Bastin has been hearing about this ever since she's been a council member and has been curious about it. MVH just kept taking hits. Now they have an opportunity to try it but change comes hard to Ellettsville. She thinks it is worth a try. Jeff Farmer commended the Street Department on doing a great job. If they didn't do a great job he wouldn't want to do this for free.

Scott Oldham announced Ellettsville has been named the 26th safest city in Indiana. The comment was not about the Police or Fire Departments it's also about the Street and Utilities guys because it is contributed to the sense of community that makes it safer. He thinks this is something they need to explore. Mr. Thomas agrees and the Street Department does a fine job. The real savings to the Town will be the pooled and shared resources and flexibility going forward. They could still have the same savings by not replacing Jim Ragle. He is in support of it and thinks the savings will come from the combined effort but not from not replacing Jim Ragle. Ms. Bastin asked if Mr. Stalcup's position will be the same or will they be adjusting it upward. Jeff Farmer said to do this they need to be fair and should adjust the pay for a couple of guys in their department. Mike Farmer said they were hesitant because pay raises can draw concerns and consideration from other departments and escalates out of control. Mr. Oldham said it's comparing apples and oranges. What one person does at the same place in the hierarchy is not the same as another person. Ms. Bastin said it's not really their business what the other employees make because they're revamping a department.

Jim Davis' recommendation would be to adopt the plan and proceed forward. The pay grade should be option A under the proposal. Ms. Bastin said they will raise the salaries of Danny Stalcup, Kip Headdy, Brian Miller and Tom Cornman. She is proud of Danny Stalcup because since Jim Ragle has retired he hit the ground running. Mr. Stalcup was hoping to get a better raise than what is being offered. He feels he will be doing the same job as Jim Ragle and everything will come down to him. Mr. Thomas agrees it is apples and oranges. He's from the business world and when someone retires and is replaced they don't come in at the same rate of pay unless all positions are equalized. He has learned in the Town that this is not the reality. Ms. Hash noted currently all supervisors make the same base pay. Mr. Oldham said it does not take into account being able to draw on seniority, specialty assignments or degrees. Ms. Hash commented currently there is no differential in annual wages for longevity. They get a one-time pay out every five years for longevity. Mr. Davis said barring the salaries, the Council would have to vote accepting the consolidation as presented. Mr. Oldham said this will have to be worked out separately and before they hit the ground. Mr. Stalcup feels he is going to be in a supervisor's position but will not be involved in budgets and attending Town Council meetings. He should be closer to the supervisor's position than he is. Mr. Oldham asked if he is making what a working foreman makes. Mr. Stalcup answered yes. Mike Farmer added Mr. Stalcup and Brian Miller are making the same pay. Ms. Hash asked if Mr. Stalcup will be responsible for submitting time sheets. Mike Farmer replied he and Mr. Stalcup will sign the time sheets and the same will apply to claims. Jeff Farmer advised their proposal does not include projected raises for 2015. Mr. Stalcup would like his second in command to receive a raise because he will be doing what he used to do.

Scott Oldham said they're going to budget for Danny Stalcup to be raised to \$58,165, Kip Headdy's position will be raised to \$50,982, Brian Miller will be raised to \$58,165 and Tom Cornman will be raised to \$50,982. They will vote on it at the next meeting and the new pay rates will be retroactive to the beginning of the last pay period prior to the Town Council meeting on August 11, 2014. Ms. Bastin said this is added for the revamping of the Street Department, new titles and new responsibilities. Ms. Bastin said there will no longer be a Street Commissioner and Mr. Stalcup's title will be Working Foreman.

Street Department – Budget:

Scott Oldham noted there is an increase of \$11,000 for overtime. Mr. Stalcup explained every year they're behind and they run out and try to do comp time which doesn't work too well. There's a prediction of another terrible winter and it could go on for a while. Ms. Hash noted the overtime for the Street Department was as follows: 2011-\$8,100, 2012-\$6,300, 2013-\$20,461 and 2014 to date is \$20,000.

Jim Davis presented the budget with a total increase of \$25,520. Mr. Stalcup has increased numerous lines by small amounts. Laundry was increased to \$6,500. Fleet insurance was increased. It is anticipated trash will go up. They're over 50% for gas and electric so they increased it.

Stormwater – Budget:

Jim Davis advised Stormwater budget is offset by \$975 and is a non-reverting fund. Sand removal was increased by \$6,000.

Local Roads and Street and Cumulative Capital Improvement-Budget:

Jim Davis advised the budgets stayed the same and they are stand-alone funds.

Parks and Recreation Board – Budget:

Jim Davis advised the budget remains the same. Ms. Hash explained there have been discussions of using a portion of the Parks and Recreation budget for the Heritage Trail. This year they have ordered park benches and portable slides for the Fall Festival which have not been paid for yet. The tax rate can revert to the General Fund if the tax rate in Parks is reduced. Their cash balance is \$41,671 and they have permission to spend \$23,000. Mr.

Oldham wants to give them money for electricity and things they're required to pay and put redirect the money to the Heritage Trail. Ms. Hash added the Street Department have requested some of the money for repairing the swings. After a discussion it was decided to add \$37,000 to Capital Outlays for land purchases in the Heritage Trail. It was decided to increase electric to \$4,000, decrease materials to \$5,000, add a line for the Heritage Trail and remove legal advertising, signage and miscellaneous.

Fire Department – Budget:

Jim Davis explained the increase is \$34,918. The entire amount will be paid for by the increase in the contract by the Township Trustee. They have asked for a ninth man and part of that money comes from the Township Trustee and by reducing part-time.

Fire Chief Mike Cornman explained the training line has increased due to new requirements for certification and state required training. Mr. Thomas noticed there is not an increase budgeted for insurance while every other department is putting in for them. Chief Cornman replied he's not been informed of an increase for insurance. Ms. Hash advised the insurance company is going out for bids in the fall after budget time so they are hoping for the best.

Cumulative Building and Equipment Fund:

Jim Davis advised the budget increased by \$9,000 to replace a car that burnt. The balance is \$70,000.

Police Department – Budget:

Jim Davis advised there are several changes to the police budget and most of them are at his suggestion. The budget is increasing by \$92,000 which includes \$50,000 for a school resource officer paid for by another agency. He asked Marshal Bowlen to remove certain lines from the Cumulative Capital Development ("CCD") fund into the General Fund. The lines moved into the General Fund are Building Maintenance for \$5,000, Maintenance for police breathalyzers and radar arms and equipment which was consolidated into one fund. It results in a \$15,000 reduction and \$14,000 increase for capital expenditure projects in CCD.

Scott Oldham asked Marshal Bowlen if the Police Department is up for body armor this year. Marshal Bowlen replied they have a body armor line still in CCD. Equipment for the school officer is included in the part-time line in the Police Department budget.

Clerk-Treasurer – Budget:

Jim Davis noted there are several changes in the budget resulting in an increase of \$40,000. This includes \$27,150 for the Town Manager position, \$5,700 for rent and \$8,000 for supplies and other things. As of June 30, 2014, the General Fund had a \$724,000 cash balance. With the changing of the Street Department there is a potential for a \$60,000 to \$100,000 savings. This will be offset by what they can convince the supervisors not to spend the rest of this year. They will have a funded budget.

Sandra Hash increased postage, office supplies, miscellaneous, bond premium, street light maintenance, training for the Town Manager, computer services and CATS TV. Legal services decreased and animal control isn't finalized because the City of Bloomington hasn't completed their budget. Mr. Davis mentioned the Town is paying \$155 to \$165 per animal delivered to the animal shelter. Ms. Hash stated Town residents are paying twice in Monroe County taxes and Town taxes because the Town pays fees to animal control.

Jim Davis advised all of the budgets were figured with a 2% increase which amounts to \$27,416 in the General Fund. An increase of 1.5% would be \$20,562 and 1% would be \$13,708.

Scott Thomas remarked looking at the nation raises weren't real high in recent years based on the economy or additional revenue. Perhaps next year with additional building the Town

will have more revenue. Mr. Oldham noted new building runs a year behind before the Town sees any benefit from it.

Dianna Bastin would like to give the employees a 3% raise. Mr. Davis noted Marshal Bowlen increased his part-time employees from \$13.94 to \$18.00 an hour because he’s having a hard time finding people. Ms. Bastin said the part-timers in the Police Department shouldn’t receive the 2% on top of what has been budgeted for 2015. Three or four times this year she has gone into the Clerk’s office to look at timesheets and she has some concerns about the overtime Mr. Davis will look at the overtime lines and provide data to the Town Council. They will discuss the pay raise options with the Town Council members not present.

Sandra Hash is in a discussion with the county auditor because the excise tax is down tremendously. The auditor is using a different program and they now get their information straight from the Bureau of Motor Vehicles (“BMV”). Her concern is a lot of people who live in Ellettsville have Bloomington addresses. The auditor told her to go to the BMV and discuss it with them. In 2004, the Town received \$71,000 in excise tax and in 2013 it was \$43,000.

After a discussion it was decided to vote on the wage increase at the next regular meeting. A meeting for the Heritage Trail will be held on August 6, 2014, at 6:00 p.m.

Scott Oldham, President

David Drake, Vice-President

Dianna S. Bastin

Dan Swafford

Scott Thomas

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