

SYRACUSE TOWN COUNCIL

SPECIAL BUDGET MEETING

July 14, 2009

Cassie Cowan, President, called the Special Meeting of the Syracuse Town Council to order at 6:00 p.m. Other council members present were Bill Musser, Larry Siegel, Paul Stoelting, and Brian Woody. Town Manager Henry DeJulia and Clerk Treasurer Julie Kline were also present.

The meeting opened with the Pledge of Allegiance.

Ordinance 09-06, An Additional Appropriation for the Cumulative Fire Fund, was introduced. Larry moved to adopt Ordinance 09-06; Brian seconded. Five voted for the motion; none against. The motion carried.

The 2010 budget for the Turkey Creek Township Fire Territory was discussed. Larry commented on the proposed operating budget of \$1,352,000.00. He noted if you add the \$500,000.00 for the Equipment Replacement Fund, the total is \$1.852 million. That's 80% of the budget for the whole town; Larry commented that's disgusting. Cassie noted the operating budget this year is holding pretty true to what was budgeted; by the end of June, 50% of the budget had been spent. Larry said he feels the firemen do a good job. Cassie commented coverage is for a larger area; town residents pay 20%. Larry replied for the last eight to ten years the covered whole area for half the amount. Cassie agreed, but added not at the same response time. Cassie advised the ISO rating is expected to improve. She also added the \$500,000.00 for the Equipment Replacement Fund costs the average homeowner (\$115,000.00 home) \$36.00 per year. Paul asked what happens if we don't like the budget. Cassie advised we make a recommendation, and it goes back to the Territory Board. Larry pointed out the Fire Territory borrowed from the Equipment Replacement Fund; he stated that expenditures from that fund were never brought to us as they should have been according to the contract. Cassie agreed it probably should have been brought to the council; she asked Larry to notify her when he sees something like that. Larry continued and stated new firemen were hired before they had the money; he feels they should have waited until the money was received. Brian stated part of that is a safety issue. Brian added we all knew they would have to borrow to start the fire territory. Yes, the fire department could have waited to hire more men. He pointed out it is a safety issue; safety rules require two firemen inside a building and two outside of the building when there is a fire. Brian advised we have no control over the operating budget. Larry questioned why a \$500,000.00 equipment replacement budget is needed. Brian explained the Fire Territory will have to borrow up to \$400,000.00 every year from the Fire Cum to fund the operating fund for the first six months. Paul questioned the proposed expenditures from the Equipment Replacement Fund that were provided by the Fire Chief. Brian questioned the expenditures for 2015 and 2016; each year shows \$500,000.00 for building. It is also shown in 2026 and 2027. In these economic times, the wish list gets diminished. Brian understands we may need to borrow \$400,000.00 to \$500,000.00 every year for a couple of years, but we should be able to get to the point where we can budget \$125,000.00 to \$150,000.00 to fund our equipment needs. Brian pointed out the fire department ladder truck did not pass

inspection; a new ladder truck is about \$700,000.00. Paul noted area departments have smaller budgets; how are they meeting safety requirements. Discussion followed on manning two in/two out. Bill asked where the representatives from the Fire Department are; what if we have questions. Bill asked what if we have questions on overtime, for example. Cassie advised the town has no input over the operating budget. Discussion followed on the requirement to have the town council approve the expenditures from the Equipment Replacement Fund. Larry noted the fire department cumulative fund budget was \$97,000.00 for years. Brian stated if there is no ladder truck, it will affect the ISO ratings because there will be no protection for the condos on the lake. Bill thought the budget would be \$500,000.00 for three years, and at the end of three years, it would change. Brian noted the state law changed. The levy is set the first year; after that, normal levy increases are allowed. Brian said he doesn't want to budget that amount every year. Cassie asked if there is a recommendation. Brian moved to reject the \$500,000.00 Equipment Replacement Fund budget and send it back to the fire territory; Paul seconded. Larry asked if we like \$400,000.00, or do we like \$110,000.00 like Goshen has. Larry stressed the need to give a dollar amount. Brian stated he can live with \$400,000.00, even \$500,000.00, if there is a plan to bring it down. More discussion was held on cash flow. Larry would like to see \$300,000.00 this year, and scale back more after that. Cassie stated \$300,000.00 is too low. She asked for a vote on the original motion. Brian and Bill voted for the motion; Cassie, Larry, and Paul voted against. The motion failed.

Larry moved to guide them toward \$300,000.00 for the 2010 budget. Cassie would like to see \$400,000.00 for 2010 and \$300,000.00 for 2011. Larry withdrew his motion. Paul asked what is the difference between \$300,000.00 and \$400,000.00; why do they need the \$100,000.00 more. Cassie said she is thinking about the truck that needs to be repaired. Bill again pointed out that is why the Fire Department should be here. Larry stated they were invited; they chose not to be here. The age and condition of the aerial truck was discussed.

Larry moved to limit the amount to \$250,000.00 for 2010. Paul seconded. Larry amended his motion to specify a levy and budget of \$250,000.00. Paul seconded the amendment. Brian commented it is unreasonable to ask them to budget \$250,000.00. He pointed out if they need to purchase a vehicle and also have funds for temporary loans to cash operating, \$250,000.00 won't be enough. Larry agreed to take the budget part out of his motion; Paul again seconded.

Members of the public who were present asked to comment. Doug Schrock commented it looks like we don't have control but we give money to it. He asked why we wouldn't want control. Brian advised two of the five members of the Fire Territory Board are from the town. He added the township has 67% of the population and 80% of the assessed value. Cassie noted the Fire Territory is now a legal entity. David Ganz discussed living within a budget for his own business. The tax revenue received and budget amounts were compared to the amounts for the City of Goshen. Discussion followed about cash flow for the Fire Territory and borrowing from the Equipment Replacement Fund to meet operating expenses. Marc Henn stated the town got rid of dispatch; he asked what we put the money toward. Larry told him the town taxes went down. Mr. Henn stated he went to the hearing in Indianapolis; he is appalled at the 4% increase the fire department is asking for. He advised council members that 70 people complained to the Fire

Chief at the Wawasee Property Owner's Breakfast. Brian advised those 70 people need to come to a Fire Territory Board meeting, or a Township meeting. Brian added this is the first he has heard that there were people complaining about the budget. Marc Henn asked why the fire department can't look into what they can do without; that's what all other businesses are doing. Brian explained the prices of some of the things, such as masks, have gone up three times the amount.

Cassie returned to the motion on the floor. Four voted for the motion; Brian voted against. The motion carried. Paul noted the public needs to talk to the executive board.

2010 BUDGETS

PARK

Town Manager Henry DeJulia presented the 2010 Park Department budget request in the amount of \$328,826.00, an increase of 1.24%. Henry went over the increases for the various line items. Brian questioned the amount spent for park; he explained the total is over \$370,000.00 when you consider the budget and bond payment. Henry, Larry, and Paul advised it is a quality of life issue. Paul feels the parks are really important to some people. Paul moved to approve the 2010 budget request for the Park Department including the request for the Cumulative Park; Larry seconded. Four voted for the motion; Brian voted against. The motion carried.

STREET

Public Works Superintendent Jeremy Sponseller presented the 2010 Street Department budget in the amount of \$697,388.00. Jeremy discussed the changes in the various line items. He noted the budget increase is only \$9,000.00; by keeping most of the line items flat, they are able to budget for the purchase of a new backhoe. The current backhoe is 11 years old; repairs this year will total \$5,000.00. Brian moved to approve the 2010 street department budget in the amount of \$697,388.00; Larry seconded. Five voted for the motion; none against. The motion carried.

POLICE

Police Chief Tony Ciriello presented the 2010 Police Department budget request in the amount of \$822,131.00, an increase of 2.57%. He noted there are no salary increases, although two officers will attain master patrolman status, which is an increase in pay. Tony discussed other increases in his budget. He noted training was increased by \$1,500.00; the General Assembly has added training requirements that can not be done in house. The new equipment line item was increased by \$9,000.00 to purchase a new police car. He reminded council members when he presented the 2009 budget last year he did not include a new vehicle so he could budget for the increase in gas prices. The vehicle he would like to replace has 119,000 miles on it. Larry asked if he will get rid of the old car; Tony advised yes, he will be maintaining the same fleet. Paul asked if Tony has any criteria for replacing vehicles. Tony explained most departments plan to replace vehicles at around

100,000 miles; police cars are driven harder than regular driving. Realistically, the cars are replaced at 120,000 to 125,000 miles. He added this vehicle is the last vehicle that was purchased as a used vehicle. Brian moved to approve the 2010 police department budget request for \$822,131.00. Bill seconded. Five voted for the motion; none against. The motion carried.

CLERK

Clerk Treasurer Julie Kline presented the 2010 Clerk's budget in the amount of \$484,447.00, an increase of .96%. Julie noted the line item for trash collection was increased by \$2,814.00; our three year contract with Borden's for trash pickup ends next year on July 31. Brian moved to approve the 2010 Clerk's budget; Bill seconded. Five voted for the motion; none against. The motion carried.

TOWN MANAGER

Town Manager Henry DeJulia presented the 2010 Town Manager budget request in the amount of \$148,943.00. Henry explained he added a line item for street light maintenance. Website development was increased by \$3,200.00. Paul asked about that increase. Henry advised the quotes he has received are about \$5,000.00 to \$7,000.00 to develop and host a brand new web site. Paul asked the purpose of a web site. Henry explained people who want to move here, or locate a business here, check the web site. Larry noted problems with our current web site. Henry advised the Park department will be part of our web site. Henry will be presenting the web site proposals at next week's meeting. Brian objected to the amount for website; he suggested the cost for the development could be included in professional services. Bill asked after we pay for the new website, what is the annual fee. Henry advised about \$2,000.00. Brian moved to approve the 2010 Town Manager's budget for \$148,943.00. The increase for the website is to be added to account #311 Professional Services. Larry seconded. Five voted for the motion; none against. The motion carried.

Henry discussed capital projects. He noted this is the third or fourth year we are coming in under max levy. He discussed the old animal control building; it is currently used for supplies and records storage. The building needs a new roof and siding. The owners of the old Dana building are allowing us to store the snowflakes there; they can not be stored in the animal control building. He suggested we could consider budgeting for a new storage building. Tony explained that the snowflakes are stored at the old Dana building; as Roger's business expands, we are going to lose that storage space. A 30' X 40' pole building with a 10' mezzanine for storage would cost in the range of \$25,000.00 to \$30,000.00. Larry noted we always have storage issues; we need to look at our storage issues now and what we will need in the future. Cassie would like to see something larger. Options were discussed. Larry feels we need more research. Brian noted we can always do an additional appropriation.

Henry noted that raises are not included in the 2010 budgets. He asked the council members to consider adding a benefit of eight hours of personal time at any

allotment at any time. Council discussion followed on Henry's request. Brian explained we are in the worst shape financially any of us remember. Insurance goes up; he added everyone does get longevity. Our employees do a fantastic job, but he feels this year is not the year for more personal time. Henry asked if the council would consider changing the ordinance so they get the personal days regardless. Council members spoke against this. Paul agreed this is not the year to increase benefits; we could look at it next year. Larry stated he is glad we don't have to lay off anyone or cut insurance. It was the consensus of the council not to increase benefits.

Julie asked the council to refer to the budget summary she prepared and asked the council if it looked okay. Council members had no problems with it. Henry added Riverboat money will again be used for sidewalks and trees. The CCD budget is \$42,000.00 for the Community Center lease; the Cum Park budget is \$19,000.00 for the lease. From the EDIT fund, Henry has budgeted \$25,000.00 for industrial development and \$15,000 for prospect development. Julie read the budget dates for publication, budget hearings, and adoption of the budget. The council agreed with the schedule.

Brian asked about funding all of the budget increases through non-tax revenue such as Cigarette Tax or Rainy Day fund. Cassie expressed concern about going any more under the max levy. Discussion followed on max levy. Paul agreed with Cassie. It is smart to be frugal, but there are so many needs we don't know about. He continued he doesn't think anyone can fault us for our budget. Council discussion ended.

OTHER COUNCIL DISCUSSION

Bill asked about the bridge repairs on Harkless Dr. Henry advised the repairs are being done by the county highway department. The erosion repairs are done, only paving remains to be done.

Bill moved to adjourn the meeting; Brian seconded. Five voted for the motion; none against. The Syracuse Town Council adjourned at 8:25 p.m.

ATTEST:

Cassandra Cowan, President

Julie Kline, Clerk Treasurer