

# *Danville Council Budget Work Study*

August 7, 2017 ~ 5:00pm

Council President Marcia Lynch called the work study to order at 5:00p.m. on August 7, 2017 at the Town Hall, 49 N Wayne Street. Council members present were Jim Stephens, Mike Neilson, Marcia Lynch, Tom Pado and Dennis Wynn. Also present were, Gary Eakin Town Manager, Laura Parker Asst. Town Manager, Fire Chief Mark Morgan, Police Chief Ray Raney, Water Superintendent Jim Russell, Wastewater Superintendent Jerry Crisp, Park Superintendent Will Lacey, Superintendent Barry Lofton and Public Works Superintendent Rob Roberts. Umbaugh Associates - CPA Page Sansone and Susan Cowen were also present.

## **2018 Budget Overview**

This overview provides you with a quick look at what we budget to provide services to our citizens. Our goal is maintain or enhance our services.

First of all, I would like for you to remember as we embark on this exercise that tax caps decrease our budget by \$241,718 off the top.

A request is being made for a time keeping system called KRONOS. This is being utilized by many municipalities and helps to ensure and bolster our internal control policy. The initial equipment cost is being paid from the Host which is \$24,884.00. Monthly costs will be budgeted into the individual departments. The total cost to the General Fund is \$540.54 per pay but varies by department. This will assist greatly in the preparation of payroll.

It is being recommended to lower the contribution to the employee HSA by \$200, making it \$1,400 for the year. The implementation of the Health Clinic will save the employee out of pocket for office visits and prescription drugs. The reduction in the HSA will help to pay for the Clinic.

We must budget and establish appropriations for the 2018 Community Crossing Grant of \$342,025 and also for Park Impact Fees paid to the Town. The Crossing Grant is for Public Works and the impact fees are for the Park.

Over the years we have budgeted for a General Obligation Bond to purchase Police vehicles. This year I am requesting that we bump the amount from \$300,000 to \$350,000. This will hopefully help to purchase at least two (2) trucks for the Park. Department Heads are compiling figures for the bond as of this writing.

General Fund Budget  
And  
Department Budgets

Our actual approved budget in 2017 was \$5,602,130. This year requested expenditures are \$6,024,000.00 and it places cash reserves at 12.35% which is below the Council's stated goal of 20%. The EDIT distribution is down, probably due to the funds being distributed to another municipality with a large project.

Clerk-Treasurer Jennifer Pearcy and CPA Paige Sansone will review the Actual and Budgeted Cash Flows (2016-2018) at the end of the budget presentations.

Department Requested Budgets are as follows:

- General Fund Expenditures - \$1,723,330 – This reflects a \$5,000 increase to cover Elections. We have also calculated 8% for Health Insurance premium increases and added \$40,000 for the annual agreement for the Hendricks Regional Clinic.
- Police Department – This indicates an increase of \$5,000 for OT at schools, \$3,000 for equipment (radar sign), \$400 increase in uniform allowance and \$7,500 in technology fees.
- Fire - \$98,225 – Fire is asking for an additional \$1,517 for physicals and rescue supplies.
  - EMS – The request is for three (3) additional full time and three (3) additional part time. Also, the request to convert one (1) EMT to Medic. All salary increases to be covered by Center Township.
- Park – The general fund budget for the Park is unchanged. The pool has increased slightly.
- Public Works – The overall increase is \$7,100. It is comprised of \$4,000 in parts and repairs, \$2,400 in other supplies and \$700 in repairs and maintenance.
- Town Council – There is no recommended change unless you want to grant a salary increase to yourselves. It's been awhile.
- Clerk-Treasurer – The only change is an increase to the training budget by \$3,000, \$1,500 for Water and \$1,500 for Wastewater.
- Town Manger – No increases requested.
- Planning – No increases requested.
- Building – No change.

- EDIT – The revenues could be down. We have not received confirmation yet. It is recommended that one of the two current officers being paid out of EDIT be moved to the General Fund in 2019 and the other in 2020. Jenny and Paige have a strong grasp on the fund. I will defer to them.
- Parking Violations – This fund is unchanged and is projected to be at a deficit, but the work of the parking enforcement personnel is keeping it afloat at this time.
- Law Enforcement Education – No recommended changes.
- Park Non-Reverting – These are funds collected by the Park Department in the form of fees. There needs to be discussion about moving the pool receipts/operation and shelter house rental fees out of the General Fund and into the Park Non-Reverting Fund. Again, Jenny and Paige will provide the bulk of the discussion. Staff recommends that the Park Department with its Non-Reverting Fund establish a separate tax rate for the Park Department and become separate from the General Fund. It seems like a bold step, but it provides for autonomy to a well-run operation and focus on a vital service to our citizens.

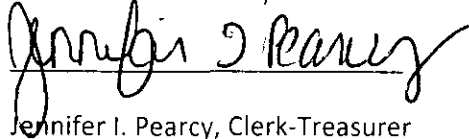
Park Non-Reverting Revenue - \$330,500

Park Non-Reverting Expenditures - \$340,866

- CCI Building – No change assuming revenues remain constant.
- CCD – This is budgeted by the DPW. A large majority of funds goes to sidewalk, paving and helps to pay our Worker’s Comp insurance cost.
- Community Crossings Grant – The State requires us to budget these funds.
- Wagering Fund – There is no change to this fund. It provides expenditures for IT services.
- Local Road and Street (LRS) – Part of the gas tax. It should be increasing. DPW uses this fund for gas and supplies.
- Motor Vehicle Highway (MVH) – This fund is expected to increase due to the gas tax. A large portion will be used as match for the 2018 Community Crossings Grant. This budget is managed by DPW.
- Wastewater – The budget shows a 1% increase and a 3% forecast under projected income. Jerry does a great job; however the Town needs a rate increase soon. I will bring this subject forward at a separate meeting soon. Jerry has developed a Capital Improvement Plan which is included behind his budget.
- Water – The largest change will be the tank painting as well as maintenance on wells and pumps. Those changes can be seen in contractual services increases.
- Stormwater – There is a suggestion to reduce the budget, but based on cash reserves, I would not do so. I think we need to prioritize and do work in the system. Improvement of infrastructure in the field is important (at least it is to me).
- Cash Flow – Paige will lead the Council in this review.

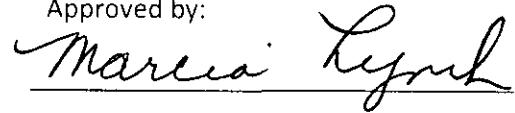
This is our first budget meeting. We will have a few more which gives us time to make changes if necessary.

Minutes submitted by:

A handwritten signature in cursive script, reading "Jennifer I. Percy", written over a horizontal line.

Jennifer I. Percy, Clerk-Treasurer

Approved by:

A handwritten signature in cursive script, reading "Marcia Lynch", written over a horizontal line.

Marcia Lynch, Council President