

**BEECH GROVE CITY COUNCIL
BUDGET HEARING & ADDITIONAL APPROPRIATION HEARING
MONDAY, SEPTEMBER 16th, 2013
MEETING MINUTES**

Mayor Dennis Buckley called the meeting to order at 7:00pm.

ROLL CALL: Present: City Council Members, Dave Mobley, John Jennings, Dave Harrison, Ed Bell, Anthony Davidson, Kathy Coates and Mary Stewart. Also present were Mayor, Dennis Buckley, Clerk Treasurer, Dan McMillan, and City Attorney, Craig Wiley.

All joined in the Pledge of Allegiance to our flag.

SPECIAL PRESENTATION:

Mayor Buckley presented a proclamation to the “Daughters of the American Revolution” in honor of Constitution Week. September 17th, marks the 226th anniversary of the drafting of the Constitution of the United States of America. Members of the Samuel Bryant Chapter, were present to acknowledge and accept the special presentation

APPROVAL OF MINUTES: Clerk Treasurer McMillan presented the September 3rd, 2013 meeting minutes to the Council. Councilor Stewart moved to accept the minutes as written. Councilor Bell seconded the Motion; which was approved by unanimous vote.

PUBLIC HEARING:

Mayor Buckley opened the Public Hearing for the following items:

- 2014 Budget of the Civil City of Beech Grove
- 2014 Budget for the Beech Grove Public Library
- Additional Appropriation for the Local Law Enforcement (LLE)
Continuing Education Fund for Beech Grove Police Department

Jeff Peters, Financial Consultant, explained the purpose and the process of the budget. Mr. Peters also explained the tax levies, how they are set and their function.

Councilor Stewart thanked Mr. Peters for his explanations, because as Councilor Stewart stated it is helpful in understanding the budget that is set before the Council.

He briefly discussed the increase of sewer rates and their purpose. Mr. Peters explained, the raise in the sewer rate this past year will allow the city to provide a substantial amount of monies to sewer projects and will also supplement the city budget in the form of a Return on Investment (ROI) and Pilot Payment; that allows the city to provide services such as paving streets, new sidewalks and replaces outdated equipment.

Mayor Buckley asked Mr. Peters if both 2013 and 2014 appear to be balanced. Mr. Peters explained that the purpose of his firm has been to assist the Clerk Treasurer in ensuring that the expenditures that the clerk sets forth in the budget have the revenues to match. Mr. Peters also stated that the city has very little surplus.

He explained that the Council had no choice but to raise the sewer rates this past year, because the City of Beech Grove does not have the growth potential to harvest a large increase in property taxes, as many donut cities, due to the city being land locked. Mr. Peters also explained that he does not believe the City of Beech Grove will ever be able to continue the services it is currently providing to the citizens without, the ROI and Pilot payments from the utility. He also commented that it would be a good business decision for the city to establish a stormwater fee as it used to charge one. Currently, the city does not recover any of the losses from stormwater expenses. Mayor Buckley agreed that the Council was right to raise the sewer rates and he also stated that he intends to begin the process of establishing stormwater fees when the budget is completed.

Councilor Coates asked Mr. Peters to give her the proposed tax levy and rate for each person and to please break it down. Mr. Peters explained that assessed values are not certified until January or February, therefore the rates have yet to be determined. He also explained why the rates look inflated and he stated that the rate will be determined by the Department of Local Government & Finance (DLGF). The maximum levy has increased by 2.6 percent.

PUBLIC COMMENTS: None.

Mayor Buckley closed the Public Hearing.

NEW BUSINESS:

[General Ordinance No. 18, 2013](#)

...2014 Budget for the Civil City of Beech Grove, Indiana

[2014 Budget City of Beech Grove, Indiana Budget Form 4a](#)

Mayor Buckley asked the Department Heads to please come forward and comment on their budgets.

Police Chief, Mark Swartz- Chief Swartz explained that he would like to have some increases in their budget. He listed the following increases that he would like to see applied:

Personal Services - \$2,317.00 increase for position pay for an Officer that will be promoted to 1st Class Patrolman in March of 2014 was not included in the salaries. Mayor Buckley stated that he thought it was included. Clerk McMillan explained that all position pay increases have been included in everyone's budgets and there is more than enough for everyone's salaries.

Supplies & Equipment -were decreased by \$ 6,850.00 including office supplies which were decreased from \$2,000.00 to \$1,500.00 and the K-9 budget; which was decreased from \$1,000.00 to \$600.00. Chief Swartz stated that he was told that the reason the budget cuts were made in these areas was because the police department had not used the money thus far this year.

Chief also stated that he has a deal with a guy that he purchases a skid of dog food from and the guy gives him a deal. That money has not come into play yet. The K-9 Fund is used to care for 2 dogs that need leashes, halters, harnesses and vet bills.

Clerk McMillan commented that the police budget for 2014 will increase \$25, 298.00 over 2013. Clerk McMillan further commented that while other cities are laying off employees and making 10% cuts across the board the City of Beech Grove has not laid off any employees or made huge budget cuts, nor cut employees' salaries. In fact, just the opposite, the police department has seen an increase in their budget two years in a row. Chief Swartz acknowledged that they have had increases in their budget. Clerk McMillan also commented that their overtime has increased to \$100,000.00. Clerk McMillan apologized to Chief Swartz that the budget does not meet the chief's specifications. Chief Swartz commented that in their budget (in the General Fund) their overtime did not increase. It remained at \$50,000.00, but in the

COIT/LOIT- Public Safety budget they did receive \$50,000.00 in overtime. Chief Swartz also stated that the cost of gas has increased, but not usage.

He stated that Marion County Dispatch Center use to provide the department with Aircards and they have discontinued that service. Chief commented that he did not know until after the budget was completed last year how much the cost would be on those Aircards, so he estimated, and it was under funded. Chief also commented that they did not ask for an increase in overtime and they are not asking for an increase in supplies and services, they are just asking for the same amount. Clerk McMillan asked Chief Swartz "Regarding the Aircards, that were not budgeted last year, did I find the money in the budget to fund those air cards for the remainder of the year?" Chief Swartz replied "yes".

Postage- has decreased from \$200.00 to \$100.00.

Chief Swartz commented - to personalize- this is the postage that is used to send cards throughout the year to families of fallen officers from the Beech Grove Police Department. Chief stated that he doesn't believe an additional \$6,800.50 for their supplies & services is that big of a deal. They are just asking for it to stay the same as last year, except for an increase in the gas and air cards.

Clerk McMillan then stated that with a 2014 proposed budget of \$2,826, 660.00 (two million, eight hundred and twenty six thousand, and six hundred and sixty dollars) that the police department has he is sure that they can find \$100.00 extra for postage. The clerk also stated that he thinks this is ridiculous. Clerk McMillan further stated that this a good budget and the police department is receiving an increase of over \$25,000.00.

Chief Swartz commented that he had it figured as an \$18,360.00 increase.

Clerk McMillan stated that it must be the new math, because he has it figured as over a \$25,000.00 increase.

2013 Police Department Budget - \$2, 801, 362.00

2014 Proposed Police Department Budget - \$2, 826, 660.00

An increase of \$25, 298.00 to the General Fund Budget

2013 COIT/LOIT Public Safety \$25,000.00 Overtime

2014 COIT/LOIT Public Safety \$50,000.00 Overtime

2014 COIT/LOIT Public Safety \$26, 720.00 Vehicle Leases

An increase of \$51,720.00 to the COIT/LOIT Public Safety Budget

Total increase to Police Department for 2014- \$77,018.00

Fire Chief, Robert Cheshire- commented on the Fire Department budget. Chief Cheshire stated that it is adequately funded. He also gave a brief description of the small increases they are receiving in some categories; which were primarily in medical supplies and fuel. There was also an increase in maintenance and repairs and that is good, because it will allow the fire department to once again begin a preventative maintenance program on their equipment. Chief Cheshire commented that their budget looks very good and is very much appreciated.

Mayor Buckley commented that the fire department has already come before the Council this year to transfer appropriations in an effort to fund the increase in fuel. The rising cost of fuel and adding a second ambulance has contributed to that.

Mayor Buckley asked the Chief to also comment on the new position being created for Compliance Officer. Chief Cheshire stated that this will benefit the fire department too. The Compliance Officer will be responsible for conducting fire inspections for the business owners of Beech Grove and educating them on fire codes and safety with regards to their businesses. This person will also assist with enforcing compliance on the smoke detector ordinance; which requires an inspection of smoke alarms in a home when it is sold. The Compliance Officer will take direction from both, Fire Chief Robert Cheshire and Board of Works Director Brad Meriwether. The position is budgeted in the Motor, Vehicle and Highway (MVH) Fund.

Chief Cheshire and Mayor Buckley also commented on the increase in overtime. Mayor Buckley also stated that plugged into this budget somewhere is payments for leases on vehicles. The Chief said that it is budgeted in the COIT/LOIT Public Safety Fund. This fund can only be used for items related to Public Safety. The increase in overtime has been plugged into this budget also.

Director of Public Works, Brad Meriwether – Brad stated that both LR & S and MVH are getting a bump in their budgets due to an increase in tax revenues for those funds. As Mr. Peters addressed those funds can only be used for specific purposes. The increases will be used toward salt, paving, and road signs. Sidewalks have never been budgeted. The city had applied for 3 grants for sidewalks, but those did not come through.

Brad also stated that a lease/purchase agreement has been added to the MVH budget for a skid steer; which will be beneficial for both the MVH and Parks Department.

Brad reported that the new position of Compliance Officer will be addressing environmental issues such as weeds, and grass cutting. The Board of Health will continue to address compliance violations too.

Brad also reported that in MVH there is \$61,000.00 for street signs; which is the city's part to a matching grant that the city was awarded for over \$600,000.00. Councilor Jennings asked if the number of over \$600,000.00 is correct for street signs. Mayor Buckley commented that it is actually \$685,000.00. Clerk McMillan commented that it is required by Federal Law that all streets signs be replaced with reflective material signs by 2015. The city was awarded a grant for the majority of the costs associated with this, so that was a huge win for the city.

Clerk McMillan commented that for 2014 the sewer projects appropriations have been increased by \$100,000.00 and \$50,000.00 for sidewalks has been added. Clerk McMillan asked Brad if he would like to comment on a new position that has been created; which Phil Gurganus will be filling. Brad commented that Phil has been with the city a number of years and is very knowledgeable in sewer maintenance, inspections and repairs. Wessler Engineering suggested having Phil inspect a recent sewer project that had been completed rather than paying to have an engineer inspect it. Phil inspects and identifies issues with the sewers and stormwater feeds. Phil is currently part time. His full time position will save the city thousands of dollars and his position will more than pay for itself. Phil is indispensable to the city. It is a good business decision. Clerk McMillan commented that the sewage department brings in the largest revenue to the city of any department, and works with a skeleton crew.

Mayor Buckley complimented DPW on the clean up after the festival. It was a job well done.

Parks Department- Mayor Buckley stated that the Parks Department and Parks Board presented their budget to the Clerk. Clerk McMillan reported that in preparing the Parks budget he added 1 day per week for 10 months to fund the maintenance and upkeep of all the plantings and grass that have been added to Main Street. The Parks Department is responsible for the care and maintenance of all city grounds, including Emerson Avenue, as far south as the interstate. The Parks Department has 1 full time employee and that is Parks Director, Tom Hannan.

City Court- Judge Wells presented a budget to the Council that would decrease his budget \$100.00 from the 2013 budget, and a cut of approx. \$500.00 or \$600.00 from the proposed 2014 budget, and provide a 4% pay increase for the City Court Clerk, who has not had a pay raise in 6 years. She has had her case load increased tremendously. Judge Wells stated that he could not replace the clerk with someone else for the salary she is currently receiving. He commented that when he took over the court they were handling approximately 125 cases and they have now increased that to approximately 500 cases. He also stated that he had already discussed this with the Mayor. Mayor Buckley commented that they had discussed the overall budget change, but not the pay increase. Judge Wells agreed.

Judge Wells has decreased a few line items that could be expended through the court's clerk perpetual fund. Judge Wells stated that he would rather keep the current status quo using part time and interns and a full time clerk. Clerk McMillan stated that he does not have a copy of the budget that the judge is proposing and without seeing the numbers that the judge has incorporated, the clerk cannot make a reasonable judgment. If the budget would have to be re-advertised, there are costs that are associated with that; which would exceed the savings that the judge is proposing. Mayor Buckley stated that the clerk has advertised the budget, but he can use his executive authority to change that, but the Council would have to amend the Salary Ordinance to include the 4% raise to the City Court Clerk. Judge Wells stated that he is just trying to accurately appropriate the expenses the court has.

Clerk McMillan read General Ordinance No. 18, 2013 into the record.

Councilor Jennings moved to approve General Ordinance No. 18, 2013 for the First Reading. Dave Harrison seconded the Motion; which was approved by unanimous voice vote.

BUDGET 2014					
General Fund	2013	2014	Difference		
Mayor	\$91,082.00	\$91,256.00	\$174.00		
Clerk Treasurer	\$179,896.00	\$179,590.00	(\$306.00)		
City Council	\$51,006.00	\$51,304.00	\$ 298.00		
Board of Works	\$400,455.00	\$432,950.00	\$32,495.00		
City Town Hall	\$116,100.00	\$25,850.00	(\$90,250.00)		
Senior Center	\$112,090.00	\$106,555.00	(\$5,535.00)		
Community Center	\$126,850.00	\$112,050.00	(\$14,800.00)		
City Court	\$115,650.00	\$116,174.00	\$524.00		
Fire Dept.	\$3,077,727.	\$ 3,069,980	(\$7,747.00)		

Police	\$2,801,362.00	\$2,826,660.00	\$ 25,298.00		
Parks	\$180,613.00	\$195,014.00	\$14,401.00		
Cable	\$10,000.00	\$10,000.00	\$ -		
Total	\$7,262,831.00	\$7,217,383.00			
Fund Name					
Rainy Day	\$193,019.00	\$193,019.00	\$ -		
Debt Service	\$178,266.00	\$204,763.00	\$26,497.00		
Fire Pension	\$392,568.00	\$385,479.00	\$7,089.00		
Police Pension	\$615,060.00	\$556,326.00	(\$58,734.00)		
Local Roads & Streets (LRS)	\$490,000.00	\$509,221.00	\$19,221.00		
Motor Vehicle & Highway (MVH)	\$695,355.00	\$811,779.00	\$116,424.00		
Continuing Education (LLE)	\$14,000.00	\$14,000.00	\$ -		
Public Safety Loit (1170)	\$889,495.00	\$904,035.00	\$14,540.00		
Notes:					
<i>The City Council budget includes \$10,000.00 for attorney fees.</i>					
<i>The BOW increased because the City Attorney is included in this Department this year.</i>					
<i>City Hall decreased due to appropriating the City Attorney in the Board of Works.</i>					
<i>Senior Center decreased because we did not budget their donation for gasoline this year.</i>					
<i>Parks Dept./Community Center decreased their budget approx. \$400.00</i>					
<i>The Rainy Day Fund is budgeted but will not be used without Council approval</i>					
<i>and that would only be in the event of an emergency.</i>					

General Ordinance No. 19, 2013

...2014 Budget for the Beech Grove Public Library

Liz Schoettle, Director of Beech Grove Public Library presented the following report:

Beech Grove Public Library 2014 Budget

Personnel Services- decreased

Supplies – decreased

Services & Charges- has an increase. IT charges have increased, because the library does not staff an IT person. This category also includes insurance; which has increased and utilities.

Capital Outlays- increased for “print books and E books” as well as CDs and other material. There is also an increase for replacement or upgrades to almost all the computers. These are in dire need of replacement and should have been replaced years ago. There is also for an increase to add a T1- line. There may also need to be upgrades or replacements to the phone system.

Debt Service- remained the same, but the payments have gone down.

LURF- is not funded by property taxes, but it must be budgeted to use the funds. It is a reserve fund that she did not use last year, but must be appropriated every year.

Mayor Buckley asked if a pay increase has been included for the employees. Liz stated that there is a small pay increase included, but she is not certain that the money will be available for that.

Clerk McMillan read General Ordinance No. 19, 2013 into the record for First Reading.

Councilor Stewart moved to accept General Ordinance No.19, 2013 for the First Reading. Councilor Bell seconded the Motion; which was approved by unanimous voice vote.

General Ordinance No. 20, 2013

...2014 Salary Ordinance

Mayor Buckley and Clerk McMillan read General Ordinance No. 20, 2013 into the record.

Councilor Davidson asked Clerk McMillan if the new position of “Office Manager” listed in his budget is a position he plans to fill. Clerk McMillan stated that no decision has been made, but he would like the option to do that if he would decide to. The position would be part-time and would be filled by an employee currently working in the clerk’s office.

Councilor Davidson stated that he has 3 amendments. The first amendment would be to reduce the Mayor’s Assistant pay back down to what it was supposed to be. City Attorney Craig Wiley commented that he assumes this would be the only employee in the city that would receive a pay decrease. Councilor Davidson stated that it is only reducing it to what it was originally, and is not a decrease from when the position was initiated. Attorney Craig Wiley stated that as an employment litigator this throws up a red flag. The position is held by a female, over the age of 40 and he asked what the articulated reason is for it. Councilor Davidson stated that the position was initiated with a \$36,000.00 salary and it should remain the same. Councilor Harrison asked when the position was initiated. Councilor Davidson stated that it was initiated under the Dilk administration.

Councilor Harrison commented that there was a Mayor's Assistant under the Wright administration that received almost \$50,000.00 a year. Councilor Davidson stated that position had been removed and when brought back during the Dilk administration was brought back with a salary of \$36,000.00 per year. Councilor Bell commented that he doesn't think anyone has started at that salary. Craig stated that there are 2 employees in the city holding similar positions and making more than Julie. He then asked why the city would punish a 20 year employee. It raises a red flag. Councilor Davidson stated that this is nothing personal against Julie. She made a conscious choice to move from her position in the Clerk Treasurer's Office making what she is now to a position that by Ordinance in 2012 was assigned a \$36,000.00 annual salary. He also stated that if you move from a doctor's position to a janitor position you're not going to continue to receive a doctor's pay. Craig said for a 20 year employee, when Mayor Wright's assistant made \$50,000.00 is a red flag. Mayor Buckley asked what the legal ramification could be to the city. Craig stated that Julie could go to the EEOC and file a charge. People in this community complain about legal bills, the majority of which cannot be controlled. This can be controlled. This is unbecoming of the Council. Councilor Mobley asked why it is unbecoming of this Council. Craig commented because they are going to essentially punish a 20 year employee by reducing her salary. Councilor Mobley commented that Julie knew what the salary was when she took the position. Councilor Stewart stated that she was going to ask every single question that City Attorney Craig Wiley had asked. Councilor Jennings asked how many people got a pay raise last year, with the exception of Julie. Mayor Buckley stated that no one got a pay raise because cost of living increases were not given. There has not been a cost of living increase in 5 years. Councilor Jennings stated that when Julie changed positions she kept her same pay and moved to the Mayor's Assistant position that paid \$36,000.00. That is what Joey Fox got paid in 2011. Councilor Harrison asked if anyone knew when the Mayor's Assistant had been shut down, and before that time how long had that position been in place.

Mayor Buckley commented that it was in place the 32 years that Mayor Geshwiler was in office. Mayor Buckley again asked Attorney Craig Wiley what the legal ramifications could be to the city. Craig responded that we are subjecting ourselves to an unnecessary lawsuit. Julie could proceed under a Title 7 or an age discrimination claim that could cost the city \$300,000.00 in compensatory & punitive damages and not including attorney fees. Craig also stated that our liability insurance is carried through Walker & Associates who basically continued our insurance, because we have some longevity with them. This can be avoided. Councilor Mobley asked if Julie even has a case. She got a raise last year the only person in Beech Grove that got a raise. Sandra Seward asked what the difference in pay is. Mayor Buckley stated that it is \$219.00 per pay. Councilor Harrison asked if when this approved last year was it only approved for 1 year. Councilor Jennings stated that they tried to amend it 3 times and it was passed by an executive decision of the Mayor. The vote was 3 to 3 and Mayor Buckley broke the tie and approved the increase. Sandra Seward commented "let's cut to the chase, is this something personal?" Councilor Davidson commented that it is not. Similar discussion continued before the vote was taken.

Councilor Davidson moved to amend General Ordinance No. 20, 2013 to reflect a reduction in the position pay for Mayor's Assistant salary to the 2012 rate. Councilor Mobley seconded the Motion; which failed with a 5 to 2 vote. The vote was as follows:

District 1 Councilor Stewart – No
District 2 Councilor Bell- No
District 3 Councilor Davidson – Yes
District 4 Councilor Jennings – No
District 5 Councilor Harrison – No
At Large Councilor Coates – No
At Large Councilor Mobley Yes

The second amendment Councilor Davidson brought forward was to delete the Office/Manager position in the Clerk Treasurer's Office. Councilor Jennings wanted clarification. Clerk McMillan explained that it is not a new hire, but rather a title for an existing employee. Councilor Davidson withdrew his amendment.

Councilor Davidson moved to amend the City Court Clerk's salary, per Judge Well's recommendation, it would result in a salary increase bi-weekly, from \$1605.15 to \$1653.85. Councilor Jennings's seconded the Motion: which was approved by unanimous voice vote.

General Ordinance No. 21, 2013

... Additional Appropriation for Local Law Enforcement (LLE)

Mr. Peters explained that the funds are available and cannot be appropriated for anything else but continuing education.

Clerk McMillan read General Ordinance No. 21, 2013 into the record.

Councilor Mobley moved to approve General Ordinance No.21, 2013 for First Reading. Councilor Davidson seconded the Motion; which was approved by unanimous voice vote.

COUNCIL COMMENTS:

Councilor Mobley- none

Councilor Jennings- the Fall Festival was very successful Thank you to BYPD- they did a great job and everyone was well behaved. He was glad to hear the trash wasn't as bad this year. The weather was beautiful and it was a good crowd. He is glad everyone enjoyed it.

Councilor Harrison- he enjoyed the Fall Festival and a couple of new Beech Grove Eateries on Main Street that everyone should try. He also announced that there is a 5year old, Beech Grover, that has been in 2 Major League Baseball Documentaries. September 27th, Dave will be going to Cooperstown, New York to watch his grandson.

Every Major League Baseball Team enters a film into the Major League Baseball Film Festival. His grandson has been in one before and the Reds liked him so much that they brought him back. The film was going to be named " From the Beginning to the End", however, the producer liked Dave's grandson so much that he decided to name the film " Eddy, the Fan". Out of 30 teams, only 8 are left and they will pick the winner that weekend. It's a pretty neat moment.

Councilor Davidson- ditto to Councilor Jennings comments. Also, there was an event that took place on Saturday, September 7th, Scott Seach; Owner of Beech Grove organized an event to paint the wall on Emerson Avenue. Mayor Buckley, Councilor Harrison, Clerk McMillan and Councilor Davidson all participated. Councilor Davidson thanked them all and the DPW for providing the supplies and road blocks to keep everyone safe. Thanks to Scott Seach for organizing this event.

Councilor Bell- ditto to what Councilor Davidson said- thank you to Scott Seach and the citizens that helped too. It looks good. We need more of the community get -togethers. Main Street looks fantastic. The lights look excellent and so do all the plants. Thank you all for coming.

Councilor Stewart- the festival people were very civil and it seemed to go very well and the parade was awesome. Congratulations to Dave Harrison on your grandson. You can tell you are very proud of him. I would not do one of these budgets if you put a gun to my head. Thank you to all who worked on it and thank you all for coming tonight.

Councilor Coates- it's all been said. Thank you everyone.

Clerk McMillan- announced that the City of Beech Grove will be holding a surplus auction this Saturday, September 21, 2013 at 10:30am at the Beech Grove Police Department. Parking will be available in the Beech Grove Fire Station. There will be vehicles and miscellaneous items from different departments available. Please plan to attend.

These auctions are always a lot of fun.

The next meeting will be Monday, October 7th, 2013 at 7:00 p.m. in Council Chambers at City Hall.

ADJOURNMENT: Councilor Jennings moved to adjourn. The meeting was adjourned at 8:57pm.

The next meeting will be Monday, October 7th, 2013 at 7:00pm in Council Chambers at City Hall.

Dennis Buckley, Mayor

Dan McMillan, Clerk–Treasurer

Prepared by: Dan McMillan

