

**Enrolled Memorandum of the Meeting
Study Session/Meeting Hybrid Electronic/In-person
Twenty-Ninth Town Council of Highland
Monday, October 18, 2021**

The Twenty-Ninth Town Council of the Town of Highland, Lake County, Indiana met in a study session on **Monday, October 18, 2021**, at 6:30 O'clock P.M., in the regular place, the Highland Municipal Building, 3333 Ridge Road, Highland, Indiana.

This meeting was convened as an *electronic and in person meeting*, pursuant to Governor Holcomb's Executive Order 20-04 and 20-09 allowing such meetings pursuant to IC 5-14-1.5-3.7 for the duration of the COVID-19 public health emergency, extended by Executive Order No. 21-26. Some persons were participating remotely on a Zoom platform that allowed for real time interaction between and among all the Town Council and supported the public's ability to observe and record the proceedings. People were able to participate in person and remotely. Councilors Mark Herak, Mark Schocke, Tom Black and Roger Sheeman were present in person. Councilor Bernie Zemen participated remotely by the Zoom platform.

Silent Roll Call: Councilors Bernie Zemen (remotely), Mark Herak, Mark Schocke Tom Black and Roger Sheeman, were present in person as indicated. The Clerk-Treasurer, Michael W. Griffin was present to memorialize the proceedings. *A quorum was attained.*

Officials Present: John P. Reed, Town Attorney (remotely); Mark Knesek, Public Works Director (remotely); Kathy DeGuilio-Fox, Redevelopment Director; Kenneth J. Mika, Building Commissioner; Peter T. Hojnicky, Police Chief; William R. Timmer, Jr. CFOD, Fire Chief; Ed Dabrowski, Director of Information Technology; were also present.

Guest: Robin Carlascio for the Idea Factory was present remotely.

General Substance of Matters Discussed.

- 1. Discussion:** *Department Heads discussed the proposed budgets as filed for publication with the Town Council for FY 2022.*

FY 2022 Town of Highland Budget Executive Summary:						Delta 2020 to 2021	2022 PROPOSED
Department or Office	2018 FINAL	2019 ADOPTED	2020 ADOPTED	2021 ADOPTED	Percentage change		
Clerk-Treasurer	\$247,126	\$258,276	\$266,168	\$264,631	18.2%	(\$1,537)	\$312,781
Town Council	\$239,501	\$239,501	\$239,221	\$239,221	0.4%	\$0	\$240,252
Fire Dept	\$421,744	\$404,630	\$426,368	\$426,348	21.2%	(\$20)	\$516,610
Police Dept.	\$5,270,837	\$5,457,992	\$5,738,986	\$5,716,532	3.8%	(\$22,454)	\$5,935,859
Plan Commission	\$70,955	\$71,413	\$71,413	\$71,413	14.0%	\$0	\$81,413
ABZA	\$26,409	\$22,719	\$22,719	\$22,719		\$0	\$22,719
Building & Inspection	\$343,869	\$356,648	\$373,631	\$372,284	-9.5%	(\$1,347)	\$336,863
Town Hall & Monuments	\$44,925	\$30,125	\$30,125	\$30,125		\$0	\$30,125
Services/Works Brd.	\$798,335	\$778,458	\$796,851	\$766,851	3.5%	(\$30,000)	\$793,494
CEMA/VIP	\$19,900	\$19,900	\$19,900	\$19,900		\$0	\$19,900
General Fund Total	\$7,483,601	\$7,381,386	\$7,985,382	\$7,930,024	4.5%	(\$55,358)	\$8,290,016
Park Genl Fund	\$2,325,812	\$2,481,918	\$2,418,431	\$2,418,430	1.9%	(\$1)	\$2,465,068
Police Pension Fund	\$843,871	\$844,934	\$899,848	\$837,650	1.3%	(\$62,198)	\$848,127
Redevelopment General Fund	\$247,263	\$256,483	\$267,377	\$267,947	14.0%	\$570	\$305,443
Redevelopment Capital Fund	\$187,234	\$2,236,684	\$0	\$0		\$0	\$0
Motor Vehicle Highway Fund							
Department or Office							
Administration Department	\$189,853	\$172,941	\$173,250	\$160,146	-44.5%	(\$13,104)	\$88,838
Reconstruction & Maintenance Department	\$1,022,757	\$1,053,624	\$1,084,402	\$935,212	-9.7%	(\$149,190)	\$844,480
MVH Fund Total	\$1,212,610	\$1,226,565	\$1,257,652	\$1,095,358	-14.8%	(\$162,294)	\$933,318

LRS Fund	\$374,201	\$411,724	\$411,724	\$386,726	6.4%	(\$24,998)	\$411,600
CCI Fund	\$90,000	\$115,000	\$115,000	\$115,000		\$0	\$115,000
Park Bonds & Lease Fund EXEMPT						\$0	
Park Bonds & Lease Fund	\$1,449,188	\$1,439,938	\$1,432,488	\$0		(\$1,432,488)	\$1,663,413
Corporation Bonds Fund	\$2,154,267	\$1,482,648	\$1,050,642	\$818,500	-1.3%	(\$232,142)	\$808,000
ECON DEV LIT FUND	\$600,000	\$600,000	\$600,000	\$600,000	5.0%	\$0	\$630,000
MCCD Fund	\$370,645	\$489,043	\$595,657	\$397,440	4.2%	(\$198,217)	\$414,140
Law Enfrmnt Cont' Ed	\$45,500	\$45,500	\$45,500	\$45,500	16.5%	\$0	\$53,000
Park/VIPS Public Safety Fund	\$6,000	\$6,000	\$6,000	\$6,000		\$0	\$6,000
Solid Wst Mngmnt Grant Fund	\$170,000	\$171,825	\$192,725	\$182,725	5.5%	(\$10,000)	\$192,725
Redevelopment Bond & Int	\$239,068	\$234,868	\$230,668	\$226,402	-2.0%	(\$4,266)	\$221,848
PUBLIC SAFETY LIT FUND	\$320,000	\$476,950	\$500,000	\$500,000		\$0	\$500,000
IT and Communications Fund	\$218,020	\$201,663	\$211,766	\$211,766	50.3%	\$0	\$318,340
Special Events Non Reverting Fund	\$70,531	\$91,431	\$85,256	\$85,256	12.5%	\$0	\$95,914
Cardinal Campus Allocation Fund	\$0	\$0	\$347,375	\$344,475		(\$2,900)	\$0
	\$18,407,811	\$20,194,560	\$18,653,491	\$16,469,199	10.9%	(\$2,184,292)	\$18,271,952

FY 2022 Sanitary District of Highland Executive Summary:							Delta 2020 to 2021	2022 PROPOSED
Sanitary District	2018 FINAL	2019 ADOPTED	2020 PROPOSED	2021 ADOPTED	Percentage Increase			
Sanitary District Operating Fund								
<i>Departments</i>								
Operating & Admin Department	\$191,283	\$162,912	\$124,302	\$0			\$0	
Sanitation Solid Waste Department	\$2,110,361	\$2,206,579	\$2,491,303	\$2,238,470	2.2%	(\$252,833)	\$2,288,470	
Sanitary District Oper Fund Total	\$2,301,644	\$2,369,491	\$2,615,605	\$2,238,470	14.0%	(\$377,135)	\$2,288,470	
Sanitary District Bond & Interest Fund	\$2,198,058	\$2,516,521	\$2,353,859	\$2,129,935	-12.3%	(\$223,924)	\$1,867,317	
Sanitary District Bond & Interest Fund Exempt	\$235,471	\$153,658	\$0	\$0				
Totals:	\$4,735,173	\$5,039,670	\$4,969,464	\$4,368,405	14.0%	(\$601,059)	\$4,155,787	

FY 2021 Waterworks District of Highland Executive Summary:							Delta	2022 Proposed
Waterworks District	2018	2019 ADOPTED	2020 ADOPTED	2021 FINAL	Percentage Increase			
Waterworks District Bond & Interest Fund	\$159,864	\$151,952	\$144,196	\$141,492	14.0%	(\$2,704)	\$410,788	
Totals:	\$159,864	\$151,952	\$144,196	\$141,492	13.99%	(\$2,704)	\$410,788	

- (A) *Redevelopment Department.* The Town Council and the Redevelopment Director discussed the proposed budget for the Redevelopment Department. The discussion regarded the Redevelopment General Fund. The differences between the adopted budget for FY 2021 and the proposed Budget for FY 2022 were discussed.
- (B) *Fire Department.* The Town Council and the Fire Chief discussed the proposed budget for the Fire Department. The discussion regarded the Fire Department of the Corporation General Fund. The differences between the adopted budget for FY 2021 and the proposed Budget for FY 2022 were discussed. The Chief and the Town Council discussed the possibility of increasing the hourly rate of pay for fire fighters and the prospect of using an employer contribution to firefighter's Section 457 Deferred Compensation Plan accounts. The Town Council and the Fire Chief discussed the merits of a fire territory.
- (C) *Building and Inspection Department.* The Town Council and the Building Commissioner discussed the proposed budget for the Building and Inspection Department. The discussion regarded the Building and Inspection Department, the Plan Commission Department and the Advisory Board of Zoning Appeals of the Corporation General Fund. The differences between the adopted budgets for FY 2021 and the proposed Budgets for FY 2022 were discussed. It was noted that the full-time code enforcement position had been budgeted as part of the police department budget based upon early conceptions of the position. In was noted that the position would be restored to the Building and Inspection Department after the budget order in FY 2022.

- (D) *Public Works Department (Agency)*. The Town Council and the Public Works Director (remotely) discussed the proposed budget for the Public Works Department (Agency). The discussion regarded the Motor Vehicle Highway Fund, the Local Road and Streets Fund, the Cumulative Capital Improvement Fund, the Solid Waste District Grant Fund, as well as the Sanitary District Special Operating Fund. The differences between the adopted budgets for FY 2021 and the proposed Budgets for FY 2022 were discussed. It was noted that MVH Fund was on the second year of a three-year plan that would bring it into balance to match its revenue stream by 2023. It was also noted that owing to the profound impact of the circuit breaker credits, nearly eliminating a reliable property tax levy for the special operating fund, the administration department of the Sanitary District Special Operating Fund has been maintained but no appropriations were proposed. It was further noted that these expenses were shifted to the sewage and water operating and maintenance (enterprise) funds.
- (E) *Police Department*. The Town Council and the Police Chief discussed the proposed budget for the Police Department. The discussion regarded the Police Department, the Volunteers in Policing (VIPS) Department of the Corporation General Fund. The discussion further included the Law Enforcement Continuing Education and Training Fund, the Parks/VIPS Public Safety Fund and the few appropriations that are hosted in the Municipal Cumulative Capital Development Fund for the police department. The differences between the adopted budgets for FY 2021 and the proposed Budgets for FY 2022 were discussed. It was noted that owing to concerns about force strength the proposed budget for the police department in the corporation general fund included 40 officers rather than the customary 39. It was noted that both were within the force strength numbers set forth in the Highland Municipal Code, Section 9.10.010(C). It was further noted that increases were budgeted for police vehicle rotation and acquisition.
- (F) *Office of the Clerk-Treasurer*. The Town Council and the Clerk-Treasurer discussed the proposed budget for the Office of the Clerk-Treasurer in the Corporation General Fund. The discussion further included the Debt Service Funds, and what their budgets supported as to capital leases and direct debt. The funds discussed were the Corporation Bond and Interest Fund, the Park District Bond and Interest Fund, the Redevelopment District Fund, the Sanitary District Bond and Interest Fund and the Waterworks District Bond and Interest Fund. The differences between the adopted budgets for FY 2021 and the proposed Budgets for FY 2022 were discussed. It was noted that owing to concerns the shifts taking place in the public works department from tax supported funds and the implementation of the balancing plan in the MVH Fund, the clerk-treasurer shifted more of his incidence of support from the water and sewage operating and maintenance funds to the corporation general fund. There were slight increases in training and travel as well.

The Clerk-Treasurer then made a general presentation, supported by Microsoft Power point® regarding the overall budgeting of the 21 funds that are the subject of the FY 2022 budgeting process. The presentation offered an overview of the terms of budgeting. It included illustrating the meaning of the maximum levy, and its impact on the budgets of the general, parks and recreation, redevelopment general and the police pension funds. It included discussing the separate maximum levy for the operating fund of the sanitary district. The clerk-treasurer responded to the Town Council's questions.

- (G) *Information Communications Technology Department*. The Town Council and the newly appointed discussed the proposed budget for the Information Communications Technology Department. The discussion regarded the Information Communications Technology Fund. The Clerk-Treasurer explained

the nature of the fund as an internal service fund, with the customers being the town itself. It was noted that the considerable increase was due to the appointment of a full-time director. The differences between the adopted budget for FY 2021 and the proposed Budget for FY 2022 were discussed. The sources of charges and revenue were shown as follows:

INFORMATION COMMUNICATIONS AND TECHNOLOGY FUND			
CALCULATION			
			FY 2022
BUDGET ADOPTED FOR 2022		\$ 318,340.00	
GENERAL FUND	\$	79,585.00	25%
PARK & RECREATION	\$	63,668.00	20%
REDEVELOPMENT FUND	\$	15,917.00	5.0%
WATER OPERATIONS	\$	79,585.00	25%
SEWAGE OPERATIONS	\$	79,585.00	25%
		\$ 318,340.00	
See Section 3.45.110 in Highland Municipal Code			
(F) The sources of revenue for this fund may consist of the following:			
(1) Interdepartmental charges, contributions, cost shares or assessments levied against funds or departments of the municipality to support the lawful purposes and budget of the information and communication technology fund:			
(a) The charges and rates shall be developed and recommended by the proper officers of the municipality and fixed and approved by the town council;			
(b) Any and all rates and charges shall be consistent with IC 36-1-3-8 (a)(6) and may be calculated to include reasonable costs associated with those purposes outlined in subsection (D) of this section as well as for replacement of equipment;			
(2) Transfers from the corporation general or the municipal cumulative capital fund authorized by the town council from appropriations adopted for that purpose;			
(3) Gifts or grants from the federal government, the state, or any political subdivision of the state.			

The Town Council and the clerk-treasurer discussed that the review of the revenue estimates and the ability to support wage increases was ongoing. However, it was noted that owing to the combination of the health insurance premium reduction next year of 6.2% and the manner in which the budgets were built based upon a 10 percent increase for FY 2022, there were resources for a general wage and salary increase and depending on the increase it would be sustainable.

There being no further matters to discuss , the Town Council President adjourned the standing study session of Monday, October 18, 2021, at 9:32 o'clock p.m.

Michael W. Griffin, IAMC/MMC/CPFA/ACPFIM/CMO
 Clerk-Treasurer