

**LOWELL TOWN COUNCIL
WORK SESSION
2016 BUDGET
JULY 27, 2015**

A work session of the Lowell Town Council was called to order on Monday, July 27, 2015 at 6:00 P.M. by President Christopher Salatas. Members present were Craig Earley, LeAnn Angerman, Donald Parker, Christopher Salatas, and Edgar Corns. Also present were Clerk-Treasurer Judith Walters, Town Attorney David Westland, Building Administrator Tom Trulley, Public Works Director Greg Shook, Police Chief Erik Matson, and one member of the media.

President Salatas stated he would like to have a free flowing discussion of the 2016 budget, and to begin to outline what the Council's priorities are for the next year. Clerk-Treasurer Judith Walters stated the appropriation report that the Council has shows what has been expended during the first six months of the year, and that the items that need to be increased for such things as insurance, electric, gas, water, etc. have been highlighted.

Councilman Parker started the conversation stating that his first priority is hiring a Town Manager. Based on the figures that have been received since last year, with fringes, we are probably looking at somewhere between \$100,000 - \$130,000 per year. President Salatas agreed and stated after reviewing the budget, he believed most of the salary could be found within the budget as it stands. Councilman Parker stated if we can get the right person, we could save on some of the professional fees that we currently pay out now. Councilman Earley stated as he sees it, that is what Jim Mandon is paid for hourly, as needed, now. Councilman Earley asked President Salatas to clarify why a Town Manager was needed. President Salatas stated the Town did have a Town Manager in the past when it was smaller, and going forward, we will be experiencing growth, which the new Town Council members are planning for, and we need someone in the Town Hall that will facilitate that and go after grants. Councilman Earley stated we have Jim Mandon to do that, all we have to do is ask him to. Councilman Corns stated Mr. Mandon is not here every day. Councilman Corns gave the example of what Cedar Lake's Town Manager has been able to do for them in regards to grants for street paving and sewer work. Councilman Earley stated at this time he is not interested in a Town Manager, and mentioned that they have already been told by Jim Mandon, who has been a Town Manager, that Lowell is not big enough yet. He also asked where exactly the money is available because he does not see it in the current budget. The salary will not stay at \$100,000 - \$130,000 because he will eventually want a car and a secretary. He stated unless those standards are set now that he will not have a car or a secretary, that number is not going to stay. President Salatas stated he was not sure where the estimated amount of the position's salary came from. Councilman Parker stated that was given to us last year by Greg Guerrettaz, and it does include benefits. The Town Manager does not need to have a secretary, but that is something we can set qualifications for. Councilman Parker stated he had spoken with Mr. Mandon last year and he was willing to take a thirty-five hour a week part-time position, but it was voted down. He stated there are things that happen here on a day-to-day basis that fall by the wayside or continue to drag on, and someone needs to be here to take care of those things. Discussion followed.

Councilman Earley stated he believed the position was a waste of money and that he would definitely be against it if it came down to cutting funding to departments. Councilman Earley reiterated that he would like to know where exactly the \$125,000 is coming from. President Salatas stated that Clerk-Treasurer Walters pointed out \$54,000 that was available for a salary. Clerk-Treasurer Walters stated that was the Town Administrator's salary. Councilman Earley asked where the rest would come from. President Salatas stated we would have to advertise for something different that does not have to be \$125,000. Councilman Parker stated if this is a priority of the Town Council, then we have to sit down and look at the money. "If you need \$10,000 from the water department and \$10,000 from the street department, then you make those cuts." Clerk-Treasurer Walters stated of that \$54,000, \$17,500 is out of the General Fund, the difference was already taken out of Water and Sewer. Councilwoman Angerman asked if that position was filled. Clerk-Treasurer Walters stated no. Councilwoman Angerman stated so we have that money, plus what do we pay Mr. Mandon? Clerk-Treasurer Walters stated we have budgeted out of Planning and Building \$20,000, plus he gets paid out of the Town Council budget as well.

Councilwoman Angerman asked how much is budgeted out of the Town Council portion. Clerk-Treasurer Walters stated you have \$75,000 for all professional services.

President Salatas stated some other things on the list were a Parks building and the Powell Ditch. Councilman Corns stated that Clerk-Treasurer Walters had said we could use money from Stormwater Utility. Clerk-Treasurer Walters stated that if it is a stormwater project, yes. Councilman Earley asked Councilwoman Angerman what her opinion was on finding a building for park programs. Councilwoman Angerman stated she would love to see a building for park programs since there is a need for it, but questioned if the money would be available. Discussion followed regarding planning for a building. Public Works Director Greg Shook stated after the last meeting, we have heard that the elementary schools would allow us to use their sites for programs. Councilman Earley stated they have always worked really well with us, but we have had to work around their schedule and events. Councilman Parker stated this is a good example for a Town Manager, as if we had Park Impact fees in place, we would not have to search for this money. He stated we could have had something in place a long time ago. Discussion followed regarding the need for developers to either insert park space in to their neighborhoods, or donate to the Parks Department, and how that should be in place in the Town's development standards. Attorney David Westland stated Lowell is not the first municipality to look in to something like this, and that he would like to look at other programs that exist in order to give the Town options. Councilman Earley stated that he believed we should not be asking for more land to be donated, rather some sort of money to be generated in order to develop the current parks. Councilman Parker agreed and asked if after the bond has been paid off, will Freedom Park still remain split between the townships and Town, or will it become strictly a Town park? He stated the Town needs to have some sort of plan in place for if it becomes a Town park. Councilman Earley asked how much the townships pay for operational costs. Clerk-Treasurer Walters stated Cedar Creek pays \$12,000, West Creek pays \$5,000, and the Town \$10,000 toward operating, and the budget is based on how much they give., but more is paid out of the regular Park budget. Councilwoman Angerman stated she would like to see some figures for a new facility in order to start working towards it. Discussion followed regarding having the property for a new building and the cost.

Councilman Earley asked if a salary increase was still on the list. Councilman Parker stated if there is a 3% salary increase, that is seen by the employee, but the total cost to the Town is more like 4% - 4.25%. Councilman Corns stated he suggested slacking off on the raises because last year the employees received a 5% raise, and the year before that they received 3%. Councilman Parker stated he had spoken with Clerk-Treasurer Walters about possibly increasing some sort of medical benefits rather than increasing wages. Councilman Earley asked how that could be done since the insurance is a package. Clerk-Treasurer Walters stated it is a package, and we are in with IACT Medical Trust for a total of three years. We will be meeting with them in August to discuss the rate increase and any package changes, so we would have to see if there is something with better dental or eye care.

Councilman Parker stated he would like the Police Pension increase to be explained. Clerk-Treasurer Walters explained what is paid by the Town to the Police Pension, and mentioned that with the increase that is being suggested, it would come out to an extra \$46,000 from the Town based on the proposed special 1st Class Patrolman salary. Discussion followed regarding an increase to the pension fund. Councilman Earley asked before these past few years of raises, how often did the employees get a raise. Clerk-Treasurer Walters stated when the levy was frozen, they did not get one for four years. Councilman Parker stated he would like to see another 5% increase, but with the market now, over the past few years a 10% pay increase is pretty good. He stated if we could do the pension deal somehow, that would be good. Councilman Earley stated the pension is just for the Police Officers. Discussion followed regarding how the civilian pension is paid for and the possibility of increasing the Town's portion by 1% since the police pension would be going up. Councilman Earley stated he would still be interested in getting the employees a 3% raise.

Councilwoman Angerman asked about some of the small items from the Fire Department. Clerk-Treasurer Walters stated they are getting prices on that right now, and we may be able to fund those items in the 2015 budget. President Salatas stated the Street Department also requested a small wood chipper, and the Parks Department requested new soccer goals. Discussion also followed regarding

adding a search engine for the Town website in order to navigate the Code of Ordinances better. Clerk-Treasurer Walters stated she could get a quote from American Legal Publishing to see how much it would be.

Councilman Parker asked about adding a Police Officer and how much it would cost. Clerk-Treasurer Walters stated a patrol officer would cost almost \$83,000, but once they are at the 1st Class Patrolman level, it is around \$91,000. Councilman Earley asked if there was a consensus on the employee salary raise. After some discussion, the Council decided to hold another work session on Thursday, July 30th at 4:30 P.M.

With no further questions or comments, President Salatas adjourned the meeting at 6:55 PM.

Christopher Salatas, President

Attest:

Judith Walters, Clerk-Treasurer