

SPECIAL MEETING – MARION COMMON COUNCIL – SEPTEMBER 22, 2020 – 7:00 P.M., CITY HALL

The Common Council of the City of Marion, Indiana met in special session on Tuesday, the 22<sup>nd</sup> day of September, 2020 at the hour of 7:00 p.m. in the Council Chambers, City Hall.

On the call of the roll the following members were shown to be absent or present as follows:

Present: Luzadder, Cowgill, Fouce, Batchelor, Cain, Fordyce and Cline.

Absent: Henderson and Brunner.

NEW BUSINESS

APPROPRIATION ORDINANCE NO. 1-2020 1<sup>ST</sup> READING

The City Clerk read Appropriation Ordinance No. 1-2020 by title only, Budget for the City of Marion, Indiana for the year 2021. City Controller Julie Flores told the Council for 2021, the state permitted them to increase their levy by 4.2% which is really quite a surprise to all of them because of the pandemic. In prior years, she thinks it's been since 2015 maybe or 2016 that they could adopt that large of an increase. So, with that increase, that gave them an additional \$798,428 in property tax levy overall. They did change, they did allocate that a little differently this year due to the MVH Fund needing a little bit of help so they took 1% of the levy from the General Fund and gave it to the Street Department which the General Fund gets 86% of the levy and the Street Department gets 8%. They increased the Street by 1%, decreased the General by 1%. The circuit breaker projected for 2021 is \$5,460,070. That's an increase of about \$769,650. In 2020, the circuit breaker impact was \$4,690,420. Our cash, overall, we're trending in a good direction. When we came in, ending 2015, the General Fund cash balance was \$275,000. In 2019, the General Fund ended with \$2,186,283. So, we are trending in the right direction. The balance, cash balance today, is \$3,411,784. Last year at this time, we had \$1,900,000 in the bank so she feels like we are doing really well with our cash. All that said, we're still having to borrow from the Bond Bank and she will liken that back to when they did the reassessment in property. We were delayed, communities were delayed in getting their property tax draws and she doesn't feel like the cities ever caught up from that. So, with that, she will entertain any questions they may have, Flores said. Councilman Brian Cowgill told Flores she said it was 4.2%. What was it last year? We had an increase for that, for next year. What was our increase for this year? Flores asked, the dollar amount or the percent of levy? Cowgill said, yeah, the percent on the levy. Flores said 4.2%. Cowgill asked, that's what we got last year for this year, or this year he should say. Flores stated, 4.2% is what they allowed them to increase the levy for next year's budget, for 2021. Actually she believes it's 3.5, if she's correct. Councilman Mike Cline asked Flores, what questions did she come prepared for them to ask? Flores told Cline, she did not know. She'll try to answer anything that may come up but if she doesn't have the answer, she will get it for them. So, with that said, if they have any questions for the next reading, she would appreciate getting those ahead of time so she can have those ready, the answers ready for them. Councilman Don Batchelor told Flores she said we have a cash balance, she said \$3,000,000..... Flores said, today, she just checked before she came downstairs, yes. \$3,400,000 right now and this time last year, we had \$1,900,000. That's General Fund. Batchelor asked, so, how did we acquire this additional from nearly \$2,000,000 to \$1,500,000 additional dollars? Mrs. Flores replied, because we're being fiscally responsible. We're not spending all of our appropriation. They're being very, if they don't need it, they don't spend it. So, just because the appropriation's there, doesn't mean... They're not spending it. Council President Deb Cain said, okay, seeing no further questions, she doesn't want to close the door. As Mrs. Flores said, if they have questions after leaving tonight, please email her so she can have the answers for their October meeting. Being no further questions from the Council, motion was made by Councilman Brad Luzadder to pass Appropriation Ordinance No. 1-2020 to 2<sup>nd</sup> reading and public hearing. Motion was seconded by Cline and carried by the following vote. Aye: Luzadder, Cowgill, Fouce, Batchelor, Cain, Fordyce and Cline. Nay: None.

Mrs. Flores asked if she could share some more information before they adjourn. The Insurance Fund is in good shape right now. Today, our balance is positive. She doesn't know when they could have said that last. They began this year a negative \$1,991,855. Today, our balance is to the good \$696,000. Still to transfer this year is \$1,300,000. So, they anticipate their claims for October through December to be about \$1,200,000. That's if they keep them at about \$400,000 a month. If that happens, it looks like their potential December balance could be \$818,000 to the good. She

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appreciates the work they've done in the past couple of years to allow them to budget \$20,000 for everybody eligible to be on the plan, not the people that are on the plan. That's really helped them tremendously so she thanks the previous Council members for that. Mayor of Marion Jess Alumbaugh told the Council she (Flores) doesn't like to toot her own horn but he wanted to remind, especially the Council members that weren't here in 2016, January, they started that, Julie and Lynda (Faw, Deputy Controller), at \$4,200,000 in the red. They had that deficit with the Insurance Fund. So he's really proud of what her and Lynda have done.

Being no further business to come before the Council, on a motion by Luzadder, 2<sup>nd</sup> by Batchelor, the meeting adjourned. Time being 7:12 p.m.