

**TOWN OF CEDAR LAKE, LAKE COUNTY, INDIANA
MINUTES OF THE TOWN COUNCIL**

September 23, 2020

**Special Public Meeting & Work Session Advertised for 6:00 PM
Conducted at the Cedar Lake Town Hall
Pledge of Allegiance & Moment of Silence**



In an effort to maintain transparency and accessibility while keeping accordance with the Governor's Executive Orders relating to COVID-19, the Town Council meeting limited in person attendance but the live broadcast was streamed and can be viewed at <https://cedarlakein.org/view-town-meetings>. Questions and comments were accepted electronically and instructions can be found on the Public Meeting Agenda, a copy of which can be found at <https://cedarlakein.org/wp-content/uploads/2020/09/9.23.20-Agenda-Packet.pdf>

Roll Call

Present*	Robert H. Carnahan Council Member	Ward 1	Present	Colleen Schieben Council Member	Ward 6
Present	John Foreman Council Member	Ward 2	Present	Richard Sharpe Council Member	Ward 7
Present	Julie Rivera Council Member	Ward 3	Present	Jennifer N. Sandberg, IAMC Clerk-Treasurer	
Present	Ralph Miller Council Member	Ward 4	Present	Jill Murr, CPM, IAMC, MMC Town Administrator	
Present	Randell Niemeyer Council Member	Ward 5	Absent	David Austgen Town Attorney	

** Council member Carnahan participated via Zoom. Chief Fisher and Chief Wilkening were also present. Corby Thompson, Krohn & Associates, was present via Zoom.*

PUBLIC COMMENT – None

NEW BUSINESS

1. Paving Proposals

- a. Fire Station Lot Paving - \$26,820.00**
- b. Fairbanks - \$90,781.00**
- c. Town Grounds - \$83,637.20**
- d. East Lake Shore Drive – \$11,969.50**

Town Administrator Murr stated these proposals were mentioned at the last meeting. The Fire Station Lot Paving is for the east section that is broken up not the entire lot. The total amount is \$26,820 and will be funded from Cumulative Capital Development. Fairbanks is for 129th north to 125th. The total amount is \$90,781. There is no mobilization fee as the equipment will already be in the area. This will be a split pay from Casino, Storm, and MVH Restricted. The Town Grounds quote is for the parking lot. The total amount is \$83,637.20. A legal opinion has been received from Mr. Austgen that Park Impact Fees may be used for that project. East Lake Shore Drive is for the small portion that was never completed. The total amount is \$11,969.50. That will be a split pay from Casino, Storm, and MVH Restricted. All of these funds have been confirmed with Clerk-Treasurer Sandberg as well as Mr. Austgen.

A motion to approve all proposals as listed and with the funding sources as noted by the Town Administrator was made by Richard Sharpe with second by Colleen Schieben. Roll call vote: Carnahan – No, Foreman – Yes, Miller – Yes, Schieben – Yes, Sharpe – Yes, Rivera – Yes, Niemeyer – Yes. Vote: 6 - 1. Mr. Carnahan stated he voted no because they are not doing all of Fairbanks. Mrs. Murr stated it is anticipated these projects will be completed this fall.

WORK SESSION

1. Y2021 Budget

President Niemeyer introduced the matter. The Council Affairs Committee met numerous times with the Clerk-Treasurer, Town Administrator, and Department Heads to discuss the 2021 Budget. This is a working document and nothing is set in stone. Input is welcome. Clerk-Treasurer Sandberg agreed it is a draft. She shared Gateway Budget Form 1 for each fund with the Council but she stated her forms had some slight differences in regards to salaries from recent discussions Mr. Niemeyer had with Mr. Thompson. Mr. Niemeyer stated he's been working in conjunction with Council Affairs and has been submitting information to Krohn & Associates on some of the priorities for Council. There may be some slight differences. As Jennifer said, refer to the master salary list for personnel related items. The allocations of salaries have been broken down as well within that document. Mr. Carnahan stated he didn't have any of the copies from

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Mr. Thompson. He only received the Budget Form 1 from Jennifer. Mr. Niemeyer stated he forwarded the email to Mr. Carnahan. Clerk-Treasurer Sandberg discussed supplies, services, and capital outlay. She stated her estimates are based on historical information as well as discussions with department heads and their estimated needs for 2021. She noted that she would like to update a couple lines within the Fire Department budget. Vehicle repairs will need an additional \$10,000 and maintenance agreements will need an additional \$6,000. She asked the Council to consider adding one additional full-time firefighter/emt. The needs of the department have grown immensely. The department staffs a fourth man on the schedule. There has never been a budget for a fourth man. This has eaten up the part-time and overtime line items. With things going the way they are it is most likely an additional appropriation will be needed before the end of 2020 for payroll expense for Fire. Costs and needs of the department have been so great it makes more sense to hire an additional full-time employee. Mr. Niemeyer asked about the current estimates from Jen and how 2020 looks to end with spending in overtime. Ms. Sandberg stated she would rather not cut too much from overtime. Earlier this year, Council amended the salary ordinance to allow for part-time firefighters to receive holiday pay. That wasn't budgeted like the fourth man. That has been a factor in increased overtime this year. A brief discussion continued on the financial sense for hiring an additional full-time employee. Chief Wilkening stated the unexpected has happened this year. Jen hit it on the head. Part-time people are few and far between. Mr. Niemeyer asked Ms. Sandberg about an additional appropriation. He asked if the cash from the sale of the old JoJo's had been receipted into the General Fund. Ms. Sandberg answered in the affirmative. She explained she would rather do an appropriation reduction at the same time as the additional appropriation that way it would net to zero. Mr. Niemeyer asked about the contribution from Lennar and if money has been collected yet. Ms. Sandberg stated yes. That fund has a balance of \$75,000. Mr. Niemeyer stated he was just trying to wrap his head around what kind of cash flexibility they have. Mr. Thompson added that he has been in talks with Ms. Haase about updating the payment in lieu of taxes. They believe there is plenty of funding available from all of the utilities to update those amounts being received by the General Fund. Current estimates are that the General Fund would receive approximately \$250,000 from the utilities in 2021. He also reminded the Council of the excess levy appeal. Mr. Foreman asked Mr. Thompson if he has worked with cities or towns and if extra funds from the sale of property have been used for bonuses. Mr. Thompson stated he has not. He's been working with Sue on how to get more money for public safety. This is all related around the payment in lieu of taxes and there may be the possibility of collecting prior payment in lieu of taxes that the utilities have not paid. That additional may potentially be used for bonuses this year. Mr. Niemeyer voiced concerns about stealing cash balances for 2021. Mr. Thompson stated not if it comes from the utilities because nothing is budgeted from the utilities. Mr. Foreman asked what is typically holding back the State Board of Accounts from approving a budget that is higher in any certain areas from year to year if you have the financial means to pay it. Mr. Thompson stated it is actually the Department of Local Government Finance that reviews budgets. With the DLGF, if you have the money, they let you spend it. He won't advocate anything like that. Needs change from year to year. Mr. Niemeyer discussed the unknowns for fiscal year 2021 and 2022. Income tax may look vastly different. A shortfall may occur. Ms. Sandberg reminded Council the income tax revenue has gone to public safety, specifically the PSAP costs. Mr. Niemeyer asked when that would roll off. Ms. Sandberg stated the back bill will be paid off December 2021. Mr. Foreman asked if there was any money in the 2021 budget for the eco-restoration fund. Mrs. Murr stated she discussed that with Ms. Sandberg and they need approval from the Council. The way the resolution is written, the funds are to be looked at each year and an amount is to be determined. Previously it was \$15,000. Does Council want to set that as the minimum amount? Mr. Foreman stated they could but \$15,000 won't get them anywhere. Mrs. Murr asked if they want that item looked at. Mr. Foreman stated he thinks they should. He discussed previous analysis from Sue on the storm funds and what they could or couldn't do. Mr. Niemeyer stated that CEDIT money is income tax money and a portion of that is tied to debt service. Ms. Sandberg stated the 2015 Road bond is paid from CEDIT and is approximately half of the annual budget for the fund. Ms. Murr asked if they wanted the funds from this year to be looked at and see if any is available for transfer. They could bring it back to them in the next meeting or two. Mr. Foreman stated that would be great. Multiple conversations overlapped. A brief discussion continued on the eco-restoration project.

Mr. Thompson continued with the 2021 Budget and discussed salary updates. He walked Council through the work papers and proposed wages for each employee in 2021 as well as a comparison to 2020. The budget does affect the utilities to some extent. He discussed major changes to public safety. Mr. Niemeyer discussed organizational updates. They will have a Police Chief, Fire Chief, Director of Operations, and Planning Director. Those will be the four main department heads. They will be at the same salary in 2021

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which is \$72,100. This is a way to tighten up the organization and get the department heads on an equal level. The biggest one is the Town Manager position. That will be on the October 6th agenda. Mr. Foreman asked about that line item. Mr. Thompson stated that will be under the Town Council budget. It is a substantial position. Mr. Niemeyer spoke further on the position of the Town Manager. With the organization change, Mrs. Murr would become the Planning Director. Mr. Thompson stated some of the other organization changes include the event coordinator. Previously that had been allocated to the Parks Non-Reverting Fund but there is limited funding. That has been moved to Council's budget. Currently, it is an unfilled position. There are three employees from public works that were paid out of the Lake County Solid Waste Fund. Those amounts have been re-allocated to MVH, General, and the utilities. It is a minimal impact. A full-time building and code enforcement officer has been added to the building department budget. A very lengthy discussion continued on the code enforcement position. Mr. Thompson discussed the water rate case and impacts to the water utility. The water utility will see increased allocations. This is based off the work completed by Sue for the IURC rate case. Some allocations have been adjusted to make wastewater and water more level. This will also give a little more flexibility within MVH. A lengthy discussion continued on salaries and allocations. Mr. Thompson pointed out the proposal that all none public safety employees receive a 3% raise. Fire personnel other than the chief will receive an increase of 10%. All police personnel other than the chief, deputy chief, and commander will receive an increase of 5%. A very lengthy discussion continued on hourly, salary exempt, and salary non-exempt positions. After a lengthy discussion it was decided to change the police deputy chief and patrol commander back to hourly employees and include the 3% increase. A lengthy discussion continued on the fire deputy chief position and salary.

Chief Wilkening asked about bumping up the pension salary. Mr. Niemeyer asked if that was the special position. Chief Wilkening stated yes. Mr. Niemeyer asked Chief Wilkening to re-distribute the information previously shared. Chief Wilkening asked about increasing it this year and maybe more next year. He stated Council made a commitment to public safety. Mr. Niemeyer stated they did and he thinks they are making a significant step forward by what was proposed for increases next year. Chief Wilkening asked for a commitment from Council to make those increases in the coming years. Mr. Niemeyer stated it's based on revenues. There's no way of knowing what will be collected. A lengthy discussion continued on the 77 Fund for Police and Fire.

Ms. Rivera asked about the police part-time clerk position and if it was just for Saturdays. Chief Fisher stated he has a lot of changes anticipated for next year. Three employees will be retiring. He will be losing both front clerks. He wants to take that full-time front clerk position and make it part-time. They'd be at the front window to handle case reports, gun permits, etc. A brief discussion continued.

Chief Fisher asked about an additional hire for the police department. Mr. Niemeyer asked Clerk-Treasurer Sandberg what was budgeted in police. Ms. Sandberg stated the roster of 21 was budgeted. That included the replacements previously discussed. Chief Fisher briefly discussed vacancies on the roster and anticipated in 2021. He asked if they would consider an additional officer. The call volume is increasing. Mr. Niemeyer asked about the percentage increase. Chief Fisher stated he doesn't have the percentage but they are approximately 500 calls over where they were last year. A brief discussion occurred on the incomplete roster. It was decided to budget for the 22nd officer to be brought on half way through the year. Mr. Thompson would make the adjustments.

A brief discussion occurred on fire salaries. Chief Wilkening asked about moving the deputy chief from salary exempt to salary non-exempt. Mr. Niemeyer questioned the overtime earned by the fire deputy chief and how it is decided. Chief Wilkening stated he has oversight. Right now he gives him flex time. Mr. Niemeyer stated he wants to make sure that if he can get overtime it's not just he gets as much as he wants. Chief Wilkening stated he only gets overtime if it's a call that goes over or training. Mrs. Murr asked about the determination of the position. Is it an administration position or a firefighter position? Overtime determinations are different based on the position. This is federal labor law. Currently, the position is administrative. Mrs. Murr voiced concerns with shifts being filled by the deputy chief. Labor laws are specific. A very lengthy discussion continued on the position and the primary role.

Mr. Foreman asked about the raise given to Council last year and if they wanted to give themselves a raise in 2021. Answers were in the affirmative. Mr. Niemeyer stated yes to avoid future problems. Mrs. Murr added the estimates in front of them include 3% raises for all boards and commissions as well as the Council. Clerk-Treasurer Sandberg stated she anticipated two special meetings for each board and commission. Mrs. Murr asked if

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they still wanted one appointed member from Council to Redevelopment Commission or if they needed to budget for that fifth member. Mr. Niemeyer stated he believed it to be a good idea to keep a Council member on the commission. Mr. Foreman asked Ms. Sandberg if she was good with her department including herself. Ms. Sandberg spoke about an email and some recent remarks made on the Clerk-Treasurer's Salary. She stated she wanted to have a discussion with them all in person about her request for a salary increase. The intention was always to discuss it with them all in person. Mr. Niemeyer stated she could have phoned them with the request. Ms. Sandberg disagreed. She felt to ask such as this needed to be made in person. She spoke to the increased duties of her office and the growth of the community and believed a bump in the base wage was warranted. She stated she believed the way the salary was previously written was not correct. The base wage is quite low when compared to other Clerk-Treasurer salaries in Lake County. Her request wasn't even close to what some are being paid. Mr. Foreman asked if it was just her or her staff too. Ms. Sandberg stated she would love to see her staff be bumped up too. The growth has added to all the responsibilities of utility billing, payroll, and accounts payable. She reminded them when she took over in 2018 she didn't immediately hire to replace her previous position within the office. She's had some turnover in the office over the last year. She recently received the resignation of her most recent hire. The pay is not enough. Her office will be down two full-time positions. Mr. Foreman asked if she's started the hire process. She stated no. This is the busiest time of year for her office and many duties take priority. Trying to find the right candidate is a difficult process. Mr. Foreman asked why not bring in someone to shadow other staff. Ms. Sandberg stated it isn't possible with the pandemic and social distancing guidelines. Mrs. Rivera stated she thinks there will be a lot of applicants. She has to start someplace. Ms. Sandberg stated the last time they went through the process they lacked good applicants because of the salary. She spoke to the difficulty in finding someone knowledgeable and willing to take on the level of work and responsibility. Chief Fisher spoke to the difficulty of onboarding certain positions. A lengthy discussion continued on the Clerk-Treasurer's salary and the staff in her department. Mr. Foreman discussed the low wages of the clerks in her office. He thinks they need to bring that up. The wages are low. Mr. Niemeyer asked how they do that with the changes already being made to the budget. Mr. Foreman stated he thinks it's something they need to continue discussing and look toward updating in the future. It was discussed to await the IURC rate case outcome. With the positions estimated, perhaps an increase for her staff could be made after the rate case is wrapped, just after the New Year. A brief discussion continued.

Mrs. Murr discussed the hourly rates currently listed in the document before them. Those rates are the current wages not necessarily the position maximum. She stated the salary ordinance typically is based on a not to exceed amount. That usually allows for a small raise after annual evaluations of staff. She asked for clarity. Mr. Niemeyer asked for Mr. Thompson's opinion. Mr. Thompson stated it all depends on the community. Many communities write their ordinance based on a not to exceed amount. He spoke of ways they could update the master salary file. The salary ordinance is binding to the maximum. You cannot exceed it unless an amendment is done. Mr. Niemeyer spoke about Sue's work with the rate case and the development of a range. A lengthy discussion continued.

Mr. Sharpe asked about the next steps. Mr. Thompson stated in order to have the public hearing on October 6th; the Form 3 needs to be submitted in Gateway by Saturday. He stated this submission means the unit is committed to the upper bounds. Whatever the budget entered is you cannot budget more than that. It is the same with the levy. The plan is to advertise high, probably a 10% buffer per department and per fund. It'll be over the maximum and in case something happens.

A brief discussion occurred on riverboat distributions. Ms. Sandberg stated Lake County generally is late in sharing the riverboat distributions. Cash flow is a potential issue within the Casino Fund. That is why it has a minimal budget.

Mr. Niemeyer gave a brief update on the fire territory initiative. Mr. Toth is moving forward with getting BakerTilly involved to present preliminary numbers.

Mrs. Murr added they've been discussing the Cumulative Capital Development Fund and building repairs that are much needed at the Fire Department. Ms. Sandberg went through the obligations for current and anticipated vehicle and equipment leases. She stated there is a line item for building improvements. A brief discussion occurred on the needs of the fire station and the police station. Mr. Niemeyer spoke to the needs of the living quarters at the fire station.

PUBLIC COMMENT

ADJOURNMENT Council President Niemeyer called the meeting to adjournment at approximately 8:25PM.

Randell Niemeyer, President

Robert H. Carnahan

Ralph Miller

ATTEST:

Jennifer N. Sandberg, IAMC
Clerk-Treasurer

(b) As the meeting progresses, the following *memoranda* shall be kept:

- Cedar Lake Town Council