

WASHINGTON TOWNSHIP BOARD BUDGET WORK SHOP
JUNE 24, 2019
HELD AT: WASHINGTON TOWNSHIP GOVERNMENT CENTER
311 PRODUCTION DRIVE, AVON, INDIANA

Call To Order:

The first Budget Workshop for the 2020 Budget was called to order at 5:08 PM followed by the Pledge of Allegiance.

Quorum Established:

Shane Sommers, Amanda Babinec, and Steve Blacketer were present. Also Trustee Don Hodson, Township Financial Advisor Jeff Peters, Administrator Britt Woodard, Fire Chief Dan Smith, Park and Recreation Director Lora Helmick, Township Assistance Director Sue Allen, and Human Resource Director Aaron Vining were present.

Public Comment:

None

Presentation of the Proposed 2020 Township Budget:

1. Trustee comments
 - a. Trustee Hodson reviewed the format of the workshop for the Board and those present. He stated the first part would consist of Financial Advisor Jeff Peters reviewing the updated 5-Year Strategic Plan as requested by the Board at their last meeting. Department Heads would then present their budgets, focusing on major changes to line items. Trustee Hodson emphasized that the Board should feel free to ask questions about any line item, changed or not. He also reminded the Board that state statues allow them to approve the budget as presented, decrease line items, or eliminate them, but they may not increase any lines. He did mention that the Board was welcome to suggest increases for line items
2. Review of the impact to Township finances if the Board approved the requests outside of the normal 3% budget growth
 - a. Requests
 - i. Avoid Tax Anticipation Warrants (TAWs)
 - ii. Competitive pay adjustments recommended by the Trustee for 2020, including \$23,000 additional Township General and \$320,000 additional funding for the Fire Fund
 - iii. Adjust Insurance Fund growth to 8.3% to meet the fund's need
 - iv. Provide funding for the PTO Buy Back in the event that all eligible employees used the benefit
 - v. Add \$45,000 of funding in 2020 and then again in 2021 to Township General Capital to complete restoration contract already in place
 - vi. Add an additional \$1,035,000 to the Fire Fund in to hire 9 more firefighters

- vii. Fund \$5.5 million to Park Capital for a waterpark project and \$793,000 through 2023 for waterpark operations (\$500,000 in 2021; \$250,000 in 2022; \$43,000 in 2023).
- viii. Pay off the Park Bond and the Fire Equipment Bond in 2022
- b. Impact of requests (provided by Peters)
 - i. After 2019, cash flow will need to be carefully managed for capital purchases and health fund contributions to avoid expending funds before tax settlements are received
 - ii. Neither of the two bonds could be paid off early
 - iii. In 2021 and 2022, no funds would be available to transfer to Rainy Day
 - iv. In 2023, Rainy Day fund contributions would continue, but at the reduced level of \$207,000 per year
- c. Discussion
 - i. Amanda Babinec requested that we list requests on the whiteboard so the Board could then prioritize and work with Peters to determine the impact of different scenarios
 - ii. The Board agreed that TAW avoidance, an 8.3% increase to the Insurance Fund, the competitive pay adjustments, and PTO buyback were firm priorities
 - iii. Peters emphasized that the additional firefighters would be a recurring operational cost subject to increases in cost of living, etc.
 - iv. Peters also highlighted that the \$5.5 million in Parks Capital would be a one-time expenditure, and that, according to the Parks' business plan, it would be self-sustaining after 2023.
 - v. Peters stated that the Fire Equipment Bond would mature in 2026 and the Park Bond in 2027. He mentioned that the interest rates on both were a lot less than the interest rate incurred today if the Township chose to bond for the full amount of the waterpark. He told the Board that if they chose not to pay off the current bonds early it would provide \$3.6 million towards the park, allowing the Township to use just \$2 million of its cash reserves for the balance.
 - vi. The Board did not like the idea of Rainy Day transfers decreasing to \$207,000, so they asked Fire Chief Smith if he would be comfortable with six firefighters instead of nine. Chief Smith and Assistant Chief George said they would look into making that work.
 - vii. The Board then prioritized the remaining options in the following order as follows:
 - 1. Six additional firefighters and another engine at Station 141
 - 2. Waterpark
 - 3. Early bond payoff

3. Department Budgets

- a. Township Assistance (see attached), proposed by Director Sue Allen
 - i. Allen highlighted the two major additions to the budget: a line item for opioid/drug addiction and another for organizational grants.

- ii. Amanda Babinec asked her to prioritize recommended organizations for 2020 grant. Sue Allen responded that she would list Family Promise (\$10,000) first, followed by the Hendricks County Senior Center (\$5,000), and then the Mary Lee Maier Food Pantry (\$3,600).
 - iii. The Board did not request any changes.
 - b. Township General Fund (see attached), proposed by Administrator Britt Woodard
 - i. Woodard highlighted three major changes: adding a line item for IT capital upgrades; funding for the cemetery restoration contract; competitive pay adjustments recommended by the Trustee
 - ii. The Board did not request any changes
 - c. Township Park Bond and Township Fire Equipment (see attached), proposed by Administrator Britt Woodard
 - i. Woodard presented the budgets needed to pay the principle, interest, and trustee fees for each bond in 2020.
 - ii. The Board did not request any changes
 - d. Park and Recreation Fund (see attached), proposed by Director Lora Helmick
 - i. Helmick highlighted the major changes, including: competitive pay adjustments proposed by the Trustee; upgrades to the Pavilion (built in 2010), and her updated Five-Year Capital plan.
 - ii. The Board did not request any changes
 - e. Fire Fund and Fire CUM Fund (see attached), proposed by Chief Dan Smith
 - i. Chief Smith highlighted major changes to his budget, including competitive pay adjustment, nine additional firefighters, the addition of a full time mechanic, and upgrading the Assistant Support Services position to full time. He also mentioned they placed funds in the budget to allow for lateral transfers if additional firefighters were approved
 - ii. The Board did not request any changes

4. Next Steps

- a. After the presentations, Trustee Hodson informed the Board that Department Heads would bring back adjustments and revised budgets for their consideration at the August 1, 2019 Budget Work Shop. He also told the Board that he and Administrator Woodard would be meeting with the DLGF Field Rep for Hendricks County to review information needed for the budget publication and discuss our budget. He invited the Board to the meeting on July 24, 2019 at 1:30pm at the Hendricks County Government Center.

Public Comment:

None

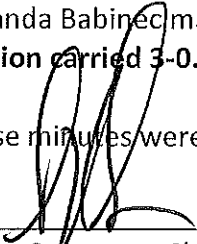
Wishes To Be Heard:

None

Adjournment:

Amanda Babinec made a motion to adjourn the meeting. Steve Blacketer seconded the motion. **Motion carried 3-0.** The meeting adjourned at 8:22 PM.

These minutes were approved at the August 08, 2019 Township Board Meeting.



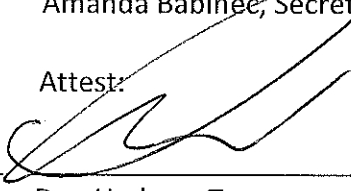
Shane Sommers, Chair



Amanda Babinec, Secretary



Steve Blacketer, Member

Attest:


Don Hodson, Trustee

The next meetings are: August 1, 2019 at 5:00 PM – Second Budget Work Shop and August 13, 2019 at 2:00 PM for the regular Township Board meeting. All meetings are at the Washington Township Government Center, 311 Production Drive, Avon, Indiana.