

RE: 2009 Budget Cuts

**Minutes-Vermillion County Council & Commissioners Special Meeting
August 24, 2009**

The Vermillion County Council and Commissioners met in the Commissioners Courtroom, Courthouse, Newport, Indiana.

Council President John Cheesewright called the meeting to order and led in the Pledge to the Flag.

Roll call was taken: Present were John Cheesewright, Lavonna Mattick, Randy Dreher, Mike Carty, Mike Costello, Randy Padish, Lary Langley, Attorney Don Darnell, Tim Wilson, Harry Crossley, Kim Hawkins, Auditor Phyllis Orman, and First Deputy Auditor Amy Tolbert.

Cheesewright said the purpose of the meeting was to discuss the shortfall of funds in the Highway budget of approximately \$534,000. He said that in the past three years the council has asked the commissioners to look hard at their budget because the funds are less and less each year. He said there have to be some adjustments made. Cheesewright asked Wilson what he thought they should do since it is their budget. Wilson asked the council to pay the highways insurance and to use 1.5 cents of the EDIT money to help fund the highway. Wilson said he emailed everyone some suggestions he had, such as combining garages to help reduce utility expenses, look closely at roads that need fixed and maybe only fix those that are most travelled. He also suggested selling off equipment that is no longer in use.

Crossley said cutting 10 highway employees is not going to be the answer. He said you won't get the roads clean with fewer people and that will lead to school being delayed and people not getting to work.

Hawkins said the Highway is important, just as important as the Sheriff's Dept and the ambulance and fire departments. Hawkins said if the council could help this year, they could make the adjustments for next year. Crossley said they have 5 schools and a hospital, roads need taken care of and that they do other things besides snow removal.

Costello questioned why the State would cut the budget by 1/3rd. Orman said that she talked to Fountain County and their budget was cut as well. She said she talked to the DLGF and they said it was due to the gas tax being cut. Costello said it is a big hit and finds it hard to believe that it is just from gas and license plates. Wilson said several people in the County have Illinois plates and that truck plates don't go to us, they go to Marion County. Costello said to use EDIT money, the commissioners would need to write a plan. He said one option was to pay Highways insurance and that each worker cost about \$47,000. He also said that

that is was also suggested that they highway department not replace people as they left but there had been 5 or 6 new people hired since that suggestion was made. Wilson said that Government Consulting told them 2 years ago that the highway would need help. Costello said that they told them to watch their hiring. Cheesewright said they were talking to the commissioners because it is their budget. Someone questioned whether they would be making cuts elsewhere as well or just the highway. Costello said they have already cut 2 people in the last 2 or 3 years, from the Auditor and Treasurer, but that they will probably make another one.

It was also suggested to raise the employee's portion to help generate more money. Orman said it would cost about \$85,000 to cover the highway insurance for the remainder of the year and the general funds insurance appropriation has enough money to cover that. Costello said the first thing we need to do is make sure the figures are correct; he thinks a 1/3rd cut is ridiculous. Wilson said they have held the line; they haven't done any major work in 2 years. They have been cutting brush and patching holes all summer long. Carty questioned why we need to pay someone \$30,000 just to cut brush. He said were not fixing road because we don't have the money so were paying people just to cut brush. He said he thinks the Highway is important but doesn't think brush is important every day of the year. Crossley said it's not just brush, its trees and ditches etc. Carty said there other ways to cut brush without using the highway and asked what the priority of the Highway is. Wilson said on the first day of school there was a tree down and the highway guys had to clear it so the bus could get to school on time. Carty asked why it took 10 full time people to clear one tree. Crossley said they do more than just cut down trees. Carty said that is what he wanted to know, what needs done what are the priorities. Crossley said Clark gives the garages a list of things to do every day, if something comes up, and then they do that. Carty said we need to prioritize. Hawkins said there are constant things going on but right now pulling the rug out is not going to solve anything. Carty said that Governmental Consulting advised everyone to make cuts. He said the whole structure needs reviewed, from EDIT tax to deciding what services we want and how we're going to fund it. He said he doesn't want to see anyone lose their job but also needs to know what they do. Hawkins said today, we need help and all 3 commissioners are in agreement that we need a county highway. Costello asked what their plan will be for next year.

Costello asked what we get per gallon, what is the magic formula. Wilson said that Indiana is a lender State, so money goes to other states and the state police get paid, then we get 50% of what is left. Orman said that she figured after the Highway cut their budget they would still need to fund \$182,000. They can use local roads and streets money to buy gravel, bituminous, etc. Someone suggested using rainy day money, but it is locked down until 2011. Carty said the money can be found, but he still doesn't know what it being used for. Crossley said that this affects everyone, not just buses. Carty said if there are limited funds available then we cannot commit to clearing everyone's roads. Costello told the commissioners they need to get Spurr busy writing a plan for Economic Development.

Cheesewright asked for a motion to pay the highways insurance bills from the general fund. Dreher suggested they take the day to think about it and made a decision at the regular meeting later that evening.

Cheesewright adjourned the meeting.

Read in full and approved by the Vermillion County Council on this ____ day of October 2009.

John Cheesewright

Mike Carty

Lavonna Mattick

Randy Dreher

Lary Langley

Mike Costello

Randy Padish

Tim Wilson

Harry Crossley

Kim Hawkins

Attest: _____
Phyllis Orman, Auditor