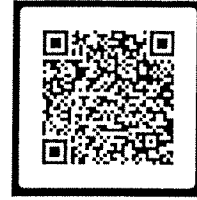


MINUTES
FINANCE COMMITTEE
MUNCIE COMMON COUNCIL
300 NORTH HIGH STREET
MUNCIE, INDIANA 47305



SEPTEMBER 5, 2025

PUBLIC MEETING: 6:00 P.M., 1st Floor City Hall Auditorium.

PLEDGE OF ALLEGIANCE: Led by Chairperson Nora Powell.

ROLL CALL:	PRESENT	ABSENT
Dale Basham (At-Large 1)	X	
Ro Selvey (At-Large 2)	X	
William McIntosh (At-Large 3)	X	
Jeff Green (District #1)	X	
Nora Powell (District #2)	X	
Brandon Garrett (District #3)	X	
Sara Gullion (District #4)	X	
Jerry Dishman (District #5)		X
Harold Mason (District #6)	X	

OPENING REMARKS: Chairperson Powell stated that the videographer was ill, so the meeting would be recorded on the clerk's laptop, and the sound record would be posted on the Facebook page and made available to the public for later review. This was the second of three working sessions for the Muncie City Council Finance Committee. These sessions are strictly for gathering and processing detailed information by asking Department Heads questions about the proposed 2026 budget. No decisions or actions would be made regarding budget ordinance amendments therefore no public comment would be taken at this meeting. However, the public is encouraged to provide input at any of the five in-person opportunities: a public hearing on September 8th, regular City Council meeting on September 8th, the final Finance Committee meeting on September 23rd, and before adoption at the October 6th meeting. The public is also welcome to contact committee members via email.

ORDER OF BUSINESS:

MOTION TO AMEND AGENDA

A motion was made by a Selvey and seconded Gullion to Suspend the Rules to add the budgets for the City Clerk, City Council, and Channel 60 Communications to the evening's agenda. A roll call vote showed 8 yeas, 1 absent (Dishman). MOTION CARRIED. City Clerk, City Council, and Channel 60 will be considered for discussion this evening.

CITY CLERK

Presenter: City Clerk Belinda Munson

Key Budget Points:

- Clerk Munson mentioned the discrepancies in the advertised budget compared to what she proposed to the Administration and believes there to be a typo.
- The overall budget is lower than last year's due to two employees not currently using insurance, resulting in a difference of over \$42,000.

- Overtime was reduced by \$1,50 and Unemployment was reduced by \$1,000.
- Postage was increased by \$1,000. The Clerk's office supports mailing for the Council and City Court and is now handling certified mail for the Building Commissioner for trash cases, which have seen postage costs increased by almost \$10 per envelope. The Clerk is seeking legislation to allow reimbursement for certified mail in city court cases, similar to an existing option for circuit court.
- Powell clarified multiple times that line items cannot be increased once advertised, as it is a state law, not just a local one. Attempting to do so could lead to the entire budget being rejected and a loss of increased tax dollars.
- The Clerk mentioned a surplus from Perpetuation Funds and proposed zeroing out a General Fund item (Equipment Rental & Repair Maintenance) to offset budget increases in January, as increases are not allowed until then. However, Powell advised against voluntarily giving up money planned for other uses, suggesting to wait until January. The Clerk insists she is just presenting an option.
- The Clerk commended her staff for their excellent work, especially in training new hires, handling public interactions (often hostile), and taking on new responsibilities, such as training out of county offices and some employees spending their time doing other things leaving them to work the front desk less. The office is currently fully staffed, and the most recent hire has been a good fit. The Clerk hopes to stay fully staffed through the hiring freeze this next year.
- Training was lower this year (30% as of June 30th) due to the Clerk's family issues, but she plans to send staff to more training next year. Two staff members went to a training conference in Indianapolis earlier this year and brought back a lot of good information.
- Regarding Electricity, Selvey raised a question about the Clerk's office charges (\$2,375) compared to the Court (\$1,500). The Clerk isn't sure of the square footage but noted the common area, multiple offices, and a file/break room. The office could eventually benefit from more storage due to the additional responsibilities staff has taken on in recent years.
- Garrett asked about taking over postage for the Building Commissioner. Clerk Munson responds they aren't doing it all quite yet but are transitioning to handle postage for the Building Commissioner's Office court cases, aiming for reimbursement through software, which currently only applies to circuit courts, not city courts. The Clerk successfully advocated for legislation allowing cities to keep small overpayments (up to \$3) for tickets instead of costly refunds, and hopes for a similar change for certified mail. Garret was just curious and he understands the process of the Building Commissioner's citations. Clerk Munson advised the Building Commissioner's Office cannot collect until the citee has been to court and a judgement has been entered. The current process is getting it set up to where the Clerk's Office can collect fines for Building Commissioner cases, much like with parking. Previously there was no mechanism, but acknowledged a statute of limitations.
- Selvey asked about Telephone expenses. Clerk explained these funds are for landlines only, the office does not have personal cell phones.
- Basham commends her after glancing at her budget performance report and the fact we are about 60% through the year and she has spent about 50%, 60%, 70% of most her budgeted lines. However, low spending (9%) was noted for Printing and Advertising, and Other Services and Charges. The Clerk stated these lines will often serve as a buffer for other areas.
- Green questioned if the staff was hourly or salaried and how many are there. The Clerk's staff includes a Deputy Chief, a Council Secretary, and four Deputy Clerks, all hourly. There are multiple staff members receiving longevity.
- Powell noted discrepancies between Chief Deputy Clerk salary ordinance figures and adopted budget numbers. The numbers don't match. The Clerk used actual payroll figures, including longevity and factoring in complications, plus a 4% increase for the next year. This differed from the Administration's formula of a 1% raise in October (adopted max) plus a later 4%. Powell explained that the salary ordinance does not match what was adopted in the budget or what was appropriated into line items and that it is just a maximum of what can be paid. The Clerk is aware the Council has control of the budget and she supports their decisions.

MAYOR

Presenter: Mayor Dan Ridenour

Key Budget Points:

- Budget adjustments include a 4% salary increase for employees.
- PERF was considerably lower because it is no longer utilized with the removal of Deputy Mayor.
- The Executive has the authority to adjust income during the year; new salary ordinances were implemented for Police, Fire, and other employees following their increases. The salary ordinances were used but, if necessary, they will figure out the totals on the budget line items by the end of the year.
- The Part-Time position salary increased by 4%, but the hourly wage remains the same, allowing for more hours.
- Only 19% of the Overtime budget had been spent as of June 6th. The Department is exercising caution with overtime spending due to Senate Bill 1 (SB1).
- The Mayor stated that SB1 will have a negative long-term impact on staff, requiring new methods and operating with fewer people in 2028, though 2027 is covered by EDIT funds.
- The Mayor's Office covers the cost of many third-floor Office Supplies.
- The Promotion of Business line item (\$5,200) is used for marketing the City to organizations considering expansion, as well as for advertising and materials for potential investors.
- The Mayor plans to subsidize the General Fund budget with \$900,000 from EDIT funds. EDIT dollars are projected to increase by about \$1.9 million due to rising incomes and population growth in Muncie meaning the City will still have \$1 million more next year even after the subsidy. Fire station costs, including a planned future station, are paid from EDIT funds.
- The Part-Time position is administrative, involving phone answering, handling City expenses, and assisting the City Engineer and Mayor.
- The Council thanked Mayor Ridenour for advocating against SB1.

BOARD OF WORKS

Presenters: Controller Craig Wright and Deputy Controller Matt Wagley (later Mayor Ridenour)

Key Budget Points:

- A major change for the 2026 budget is the consolidation of all General Fund Health Insurance expenses into the BOW budget to simplify control and claims processing. The City changed providers, resulting in a 13% reduction in health insurance premiums for employees. Departments not funded by the General Fund will still have their own Health Insurance line items.
- Other Insurance covers audits, worker's comp, and general liabilities.
- A single, main Telephone bill is distributed among the Departments based on square footage.
- Eventually, all utilities (excluding the Sanitary District) will be integrated into the BOW budget for consolidated budgeting. The Sanitary District pays its own share.
- Major repairs to City Hall, such as elevators and basement issues, are funded from the BOW budget.
- BOW has not applied for state or federal grants for repairs or construction improvements, though an individual for the City currently looks into grants. (One electric bill for traffic signals alone is \$42,000 per month, totaling almost \$500,000 annually.)
- Discussion revisited the possibility of different electricity sources, with a few councilmembers advocating for solar. The Mayor stated solar was previously attempted at the Chevy plant but didn't work out and the Council voted it down. Solar lights at Canon Commons, paid for through a collaboration and with EDIT dollars, were mentioned as an example of successful solar implementation.
- The City was granted \$3.6 million for an 8th Street field grant, which would have funded 55 acres, but these funds were later pulled by the Department of Government Energy (DOGE). This was the first public announcement of this pulled grant.
- The previous solar option, voted down by the last Council, would have generated about \$590,000 into the General Fund but it is no longer viable due to a substantial drop in rates utilities pay for solar energy, making the return on investment over 50 years.
- It is difficult to find grant opportunities for building maintenance from federal or state governments.
- The Other Insurance line costs are typically incurred towards the end of the year, often for audits.
- The Other Services & Charges line is 120% over budget, primarily due to legal services.
- The City's total Health Insurance budget decreased by 13% due to changing providers and securing a better deal, meaning premiums for employees will not increase.

- The Communications Center remained the same at \$1,00,000.

CITY COUNCIL

Presenters: Controller Craig Wright and Deputy Controller Matt Wagley

Key Budget Points:

- The budget reflects a 4% increase.
- A \$3,000 charge for the Council Ethics Commission covers videotaping and streaming services.

CHANNEL 60 (COMMUNICATION)

Presenters: Controller Craig Wright and Deputy Controller Matt Wagley

Key Budget Points:

- This position is intended to be funded from the General Fund in 2026.
- Powell notes the proposed salary reflects a 13% increase. Wright explained this was calculated by adding 4% to the amount listed in the amended salary ordinance.
- Powell questions by the General Fund is providing \$18,000 in benefits for this position in 2025 when its salary was moved to the EDIT fund. Wagley insists this money was moved from EDIT because EDIT did not have benefit lines. Council requested confirmation and documentation of this transfer.

CONTROLLER

Presenters: Controller Craig Wright and Deputy Controller Matt Wagley

Key Budget Points:

- No changes were made to the budget except for salary adjustments.
- The Controller's salary was calculated from the amended salary ordinance plus 4%, but Powell noted this resulted in more than a 6% increase from the appropriated line item. The Controller confirmed the calculation was based on the bi-weekly rate from the amended salary ordinance plus 4%.
- The Overtime line item was increased by almost \$50,000 (from \$5,130 to \$53,350), which the Controller identified as an error. This is a confirmed amendment the Council will be making to address the discrepancy.
- Questions were raised regarding budget amendments (Deputy: \$1,725; City Controller: \$1,874; Payroll Clerk: \$3,900) to appropriated line items without Council approval. Council had originally budgeted a 1% increase, but a 3% increase was granted. The source of these amended funds was questioned, as there were no corresponding decreases in other employee service charge categories (like Medicare or Overtime). No transfers for additional appropriation or line-item transfers came before Council. The Controller agreed to investigate and provide answers.
- The Deputy Controller should be paid by EDIT. Council expressed concern that decreases in other employee service charge line items (like Medicare or Overtime) were not visible to indicate where these amended funds were coming from.

Miscellaneous Revenue Discussion:

- Miscellaneous revenue for next year is projected to be down by almost \$900,000.
- The Local Road and Street Fund is down by \$1.2 million. The City Engineer and Street Department being the source for explanation will present at the next Finance Committee meeting.
- Motor Vehicle Highway and other receipts are down by \$500,000 contributing to nearly \$1.7 million loss from the Street Department.
- Overall, there is a nearly \$5 million decrease in miscellaneous revenue across most funds (except General, EDIT, and Parks) for 2025 and 2026. Council inquired if this was due to SB1. Wright deferred questions to the City Engineer who will present at a future meeting.
- Some miscellaneous revenues come from the state (DLGF website), while others, like building permits, are generated by departments. The Controller offered to email a link to the DLGF website for county-specific revenue data. Previous budget worksheet data from the DLGF field representative was not entered in time for a prior meeting.

PERSONNEL

Presenter: Human Resources Director Patricia Goddard

Key Budget Points:

- The budget shows a salary increase of more than 6%.
- The Personnel Specialist's salary was noted as having an \$83 increase from the 2025 adopted budget figure of \$47,074 to \$47,157 in the proposal. However, the actual salary ordinance for this position is \$45,343.74, indicating the specialist has been underpaid.
- The HR Director explained the Personnel Specialist is a new, less experienced hire (about six weeks in), and is not yet experienced enough to be paid at the top salary. The intention is to pay the higher amount (\$47,157) once their performance meets expectations, typically after a 90-day training period, although this is subjective.
- The Employee Assistance Program (EAP) is zeroed out in this budget, as it is now funded through the Board of Works.
- A new Other Services line item was added to cover charges that don't fall under existing categories, such as furniture lock repairs in the office. Money (\$300) was moved from Office Supplies to fund this.
- The Training budget has not been fully utilized this year due to departmental transitions.

MUNCIE FIRE DEPARTMENT

Presenter: Fire Chief Dan Burford and Deputy Chief Daniel Ninde

Key Budget Points:

- The Chief's salary increased by over \$36,000. The salary generally follows the salary ordinance for longevity and technical base items but is not technically negotiated under the Collective Bargaining Agreement (CBA).
- All other employees, such as the Office Manager, received a 4% increase.
- The Chief explained that the MFD budget was significantly restructured to simplify accounting and enhance transparency.
- All Fire Department positions, excluding the Deputy Chief, have been consolidated into a single line item within the General Fund (#101). Overtime has been moved to Fire EMS Fund (#104) as the EMS program is the primary driver of Overtime costs.
- Clothing allowances for all funds were consolidated into the EMS Fund.
- Holiday Pay increased by \$51,000 in the General Fund. This is a shift of Holiday Pays from #104 and #105 into the General Fund and consolidating it all into one line item. The total Holiday Pay amount remains consistent and is contractually set at \$150 per shift.
- PERF expenses have been moved to the LIT Public Safety Fund (#105) resulting in a zero balance in the General Fund (#101).
- The LIT Public Safety Fund (#105) allowance increased by \$195,000.
- Condition of Maintenance (#101) is a \$11,000 contractual amount (\$100 per firefighter) for station use like purchasing televisions or grills.
- The \$5,000 for repairs listed under Computers, Printers & Hardware (#101) is actually for software maintenance agreements.
- Repair & Maintenance (#101) had \$126,908 added after being zeroed out last year.
- It was noted that Other Services & Charges was 99% (now 100%) spent by June 30th indicating no more charges will come from the General Fund for this line item.
- Vehicle Lease Purchase in Fund #101 is for the aerial truck, paid by Ball State and Ball Hospital revenue directly into that account.
- Furniture costs remained the same at \$15,000 for items like beds, sofas, and recliners.
- The General Fund is currently 122% over budget with Overtime maxed out across all funds. The Unemployment line item had no budgeted money but showed expenditures.
- Other Insurance in the General Fund was not budgeted but shows \$79,000 in expenditures from current monthly transactions. This line covers liabilities, vehicles, stations, and legal fees. The Controller's Office stated they had not "jailed anything" for that line item, suggesting a software reporting discrepancy.

- Software expenditures were 88% by June 30th, primarily due to a contractual annual amount paid in January.
- Promotion of Business line item (community promotions) is used for recruitment and public events.

Fire Department Local Income Tax (LIT) Budget:

- The Department is no longer paying out of this fund for positions.
- Holiday Pay is being shifted into the General Fund. General Fund expenses have been removed from the LIT Fund.
- Health Insurance is now being budgeted from a different fund.
- A discrepancy was noted in the June 30th budget performance report where Fund #105 (Public Safety) showed a negative balance despite cash availability. The Controller advised he will investigate, noting that debits and credits are often flip-flopped in reports.
- The Fire Department's use of Local Income Tax (LIT) funds helps free up money in the General Fund. The Fire Department accounts for approximately 34% of the General Fund budget, and public safety accounts for about 75%.
- The Department is actively working on building its EMS program and improving stations.

FINAL REMARKS: No comments made.

ADJOURNED:

A motion was made by McIntosh and seconded by Gullion to Adjourn. A vote by acclamation showed 9 yeas, 0 nays. ADJOURNED.



Nora Powell, Finance Committee Chair
Muncie Common Council



Belinda Munson, Muncie City Clerk
of the Muncie Common Council

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