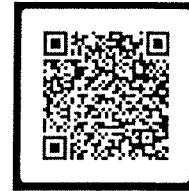


MINUTES  
FINANCE COMMITTEE  
MUNCIE COMMON COUNCIL  
300 NORTH HIGH STREET  
MUNCIE, INDIANA 47305



SEPTEMBER 9, 2025

**PUBLIC MEETING:** 6:00 P.M., 1<sup>st</sup> 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 welcomed everyone to the third working session of the City Council Finance Committee. She clarified that this session was solely for the purpose of receiving information from Department Heads and to maintain focus that no public comment would be taken tonight. Public comment was available at the Public Hearing last night and would be welcomed at the final Finance Committee meeting on September 23rd, as well as during the final ordinance adoption at the Regular Meeting on October 6th.

**ORDER OF BUSINESS:**

STREET DEPARTMENT

Presenter: City Engineer Adam Leach

Key Budget Points:

- Leach confirmed as defined by ordinance that the City Civil Engineer is also the Director of Public Works. He is simultaneously all those but was only compensated for one City employee and is currently only being paid by WSP. He does not receive any compensation from the City of Muncie.

Local Road & Streets:

- The Capital Projects budget is down. Leach advised the \$1.3 million from the previous year, which was a placeholder tied to federal project timing. Federal projects like Tillotson and McGalliard (anticipated for 2027) require a 20% match (at least \$1 million), with current funds used for the 100% match on the Columbus Avenue project. Reimbursements for these projects typically take 2 to 3 months.
- Other Services & Charges (\$1 million) and Capital Projects (\$500,000) were listed twice on page 20, which is an error; these items should only appear once, limiting the total budget for Local Roads & Streets to \$1.5 million.

Motor Vehicle Highway:

- All positions have been consolidated into a single line item; a practice that was started in 2022. This provides flexibility, allowing the Department to adjust staffing (such as 3 mechanics instead of 2, or 3 equipment operators instead of 5 truck drivers) without needing to change individual line items. This does not conflict with union contracts, which define pay rates, not budget lines. Employee promotions to different roles follow contract guidelines.
- Other Insurance covers Inland Marine insurance. That includes auto, equipment, buildings, and tort claims. They have to provide for their own insurance due to operating separately from the General Fund.
- Capital Equipment (MVH) increased by \$40,000 to replace a 2012 snowplow truck, aligning with a target 12-year replacement cycle for the capital fleet. A new tandem truck costs approximately \$215,000 with remaining funds allocated to debt service for trucks purchased 3 years prior.
- The 75% Overtime expenditure by June 30th is seasonal and is primarily incurred during snow months (January to March) when plowing operations can be busy. Additional comes during paving seasons. Historically, within Leach's 4-year tenure, the Department has remained close to its annual \$90,000 Overtime budget.
- Repair and Maintenance of Equipment, though not new, should have been funded last year and covers small equipment such as jackhammers and generators. Another Repair and Maintenance line item (422133) is used for parts and is also a bit higher due to increased part costs.
- According to the June 30th Budget Performance Report, \$22,000 has been amended into budget line items. Leach confirmed that was from the sale of equipment in an online auction (per Indiana State Code). This amount should have been allocated to Capital Equipment, but Powell stated it was instead placed in Salaries and Wages.
- Funds were amended into the Tool Allowance following a contract change that increased the mechanics' tool allowance from \$500 to \$1,000.
- Unemployment, at 80% expenditure, is due to employee terminations for substance problems or accidents, which is beyond the Department's control.
- Training, Travel and Fees were nearly depleted by June 30th. Funds are used for a Foreman to attend road school and CDL training for drivers, costing approximately \$2,750 per driver due to relatively lower pay.
- Milling and Paving Training: Training for in-house milling and paving operations includes equipment vendors providing trainers, employees visiting other operations, and Leach providing operational guidance at the start of the season.
- Professional Services had 0% spent by June 30th. This covers specialized services Leach is not qualified for, such as legal or surveying work, or the hiring of arborists.
- Office Supplies had only 7% spent by June 30th due to the Department purchasing copier equipment last year instead of leasing (which previously cost about \$3,000 annually). The remaining funds will be used to acquire a new sign printer capable of producing larger signs (up to 50 inches).
- Gullion asked how much more the paving crew was compensated for taking on additional duties. Leach stated a Paving Equipment Operator was added to the salary ordinance (recalling the Council approving that ordinance), with a pay rate of \$25 per hour, making it the highest-paid non-supervisory hourly position (excluding mechanics). That is one position but a typical paving crew includes a foreman, two laborers, a paver operator, and a roller operator.
- Federal and State Grants (Form 2 R129): Powell noted this line item is down \$500,000. Leach explained the Department has reduced its pursuit of Community Crossing matching grants (50/50) due to insufficient matching funds for major federal projects, like Tillotson.
- Transfers In and Out: A \$1.5 million figure represents cash transfers. The Motor Vehicle Highway Department uniquely carries its own cash balance (\$3 million), necessitating these transfers to balance the books.
- Other Receipts (Form 2): Powell noted this line item is down approximately \$449,000. Leach explained this category encompasses anything from reimbursements from insurance and certain non-state/federal grants, accounted for as per State Board of Accounts requirements.

- Uniforms: Gullion noted went down \$10,000, which Leach attributed to a reduction of five employees and the practice of employees utilizing their uniform allowance mostly by November.

MVH Restricted:

- Salaries and Wages: Leach advised signal technicians' salaries are paid from restricted funds for signal and sign-related activities. This practice has been ongoing for 4 years without findings from the State Board of Accounts (SBOA).
- MVH Restricted Fund Audit Finding: Chair Powell presented a repeated SBOA audit finding from 2023. The finding stated that the MVH restricted fund was incorrectly used for employee expenses related to signal electricians and sign crews, paint and sign materials, signal equipment, tree removal expenses, striping and road marking expenses, health insurance, employee uniforms, and equipment rather than construction, reconstruction, and preservation of city highways. The city failed to post at least 50% of funds received from the state motor vehicle highway account to the motor vehicle highway account restricted fund as required for the year 2023. This usage violated Indiana code. Chair Powell noted that while the 2024 audit is in process and the 2025 audit is yet to occur, the 2023 report marked this as a recurrent finding, emphasizing the need for compliance.

### PARKS DEPARTMENT

Presenters: Parks Superintendent Carl Malone

Key Budget Points:

- Foreman is paid from the Parks budget but works at Prairie Creek, a long-standing arrangement (over 5 years).
- Summer Recreation Funds were reduced by \$119,000. The Park Board is prepared to discuss additional EDIT funding with the Mayor to cover potential shortfalls.
- Tuhey Pool Swim Program was completely defunded (\$4,000 cut to \$0). However, swimming classes are still offered, funded through grants secured by board member Shannon Powers and the Cardinal Swim Club, with positive turnout. This grant funding has been in place for 2 years and they are working to secure long-term support.
- Skate Park Expenses were zeroed out (\$40,000 removed) because the project has been completed, with the earmarked funds having been used for structures around the park.
- Skate Park Oversight: Signs are posted outlining behavioral rules. For violations, community members should contact the police, who may intervene or facilitate conversations with parents. Voicemails regarding incidents are checked the following morning.
- Program Director in the June 30th Budget Performance Report showed 0% spent, but the position has recently been filled by Mark White, who started approximately two weeks prior.
- Tuhey Pool Related Items: Showed 0% spent by June 30th, which is expected as the pool opened in May and closed in September (just last week). The YMCA manages the pool, and financial figures are still being compiled.
- Miscellaneous Revenue: The Department reported an increase in Parks and Recreation receipts (estimated \$100,000) and other receipts (estimated \$100,000). Superintendent Malone expressed appreciation for the Council's support and outlined plans for further park improvements in 2026, seeking creative funding solutions.
- Basham asked about the McCulloch Park Lodge. Malone explained that several renovations such as exterior structural repairs, chimney work, caulking, new flooring, and kitchen appliances, have significantly increased revenue. The cabin is now rented almost every weekend, proving to be a valuable community asset.
- Mason commends Malone for facilitating new lights out at Heekin Park. They were replaced to enhance safety and benefit the community, addressing a prior concern. Future plans include renovating and upgrading to LED lighting sometime next year.

### PRAIRIE CREEK

Presenter: Parks Board President Brad Marshall

Key Budget Points:

- Part-Time Life Guards is reduced. Two years ago, paid lifeguards were transitioned to beach attendance roles, which are now funded through Part Time staff. The reduction reflects a correction of a previous carryover.
- Security is reduced. Security, previously handled by contract, is now provided in-house by Part Time staff.
- Mowing Equipment: Down by \$48,000. This is because no major capital expenditure for mowing equipment is anticipated, as new equipment was purchased last year or the year prior.
- Miscellaneous Revenue (Form 2): Estimated to decrease by approximately \$139,000.
- Overall Budget Impact: The \$139,000 reduction will pose challenges, necessitating a hold on capital expenditures (no scheduled purchase of floating piers for docks this year) and potential reductions in labor. The Department will need to employ creative strategies to balance the budget.
- Mayor's Hiring Freeze: Marshall was unsure if the Mayor Ridenour's announced hiring freeze would affect Prairie Creek or if it applied only to General Fund employees.
- Basham asked about anticipated retirements. Marshall states there is no current information regarding anticipated retirements that would impact operations or the hiring freeze.
- Mason asked about the Horseback and Off-Road Trails. Marshall indicated these activities are currently suspended. While this creates minimal savings in maintenance, it impacts revenue, resulting in roughly a wash. Reinstatement would be at the discretion of the water company, which is the landowner.
- Selvey wished to know the planned Budget Allocation (Maintenance vs. Capital Improvement). Marshall stated he did not have a breakdown of these numbers but mentioned ongoing shelter and campground improvements as planned capital projects, with nothing major currently scheduled.

BEECH GROVE CEMETERY

Presenter: Beech Grove Superintendent Troy Watters

Key Budget Points:

- Alarm System: The alarm system budget decreased significantly from \$14,000 in 2025 to a proposed \$2,500 for 2026. The 2025 allocation covered the cost of a new system, including cameras and equipment, while the 2026 budget covers monthly or quarterly service fees for two locations (the office and garage). The new system results in lower operating costs.
- Uniforms: Only 4% spent by June 30th. This is typical, as employees often wait until later in the year (around October/November) to purchase necessary winter gear for working outdoors.
- Tool Allowance: 133% spent by June 30th. This over-expenditure resulted from a contract change that increased the mechanics' tool allowance from \$750 to \$1,000 after the budget was initially set.
- Unemployment: Showed zero expenditure by June 30th, which is a positive outcome. The Department maintains a small budget for potential claims, noting that these funds are non-reverting and roll over if unused.
- Miscellaneous Revenue (Form 2): Receipts are up \$5,000, but the overall budget is down by approximately \$8,000, indicating a need for the Department to achieve more for less.
- Cost Savings and In-house Work: The Department has increased in-house repairs, particularly for benches. Older lawnmowers incur significant parts expenses (over \$600 for belts for one old mower), highlighting the need for equipment updates. The Superintendent hopes to acquire 3 additional new mowers (adding to 4 purchased in the last 3 years) to replace older models, which would reduce parts costs and benefit from two-year warranties.
- Historic Fence Repairs: Due to the cemetery's National Historic Registry status, repairs are more costly because of material restrictions and specialized contractor requirements. However, the department has achieved substantial savings (\$10,000-\$15,000 contractor cost reduced to \$1,500-\$2,000) by training a part-time employee to perform column and section repairs alongside a contractor. Major reconstruction projects would still necessitate contractor involvement.

- Grant for Street Signs: A \$6,700 grant was received this year from the Community Foundation, originating from funds of the defunct "Friends of Beech Grove" group. These funds are designated for cemetery beautification. The grant was used to install historically designed street signs throughout the cemetery, based on original maps, and to name previously unnamed roads (including one after a former superintendent). This endowment fund's annual earnings are not sufficient for major capital projects, such as a complete fence repair estimated at \$1 million to \$1.5 million.
- Mower and Equipment Costs: A 52-inch mower cost around \$12,000, and a smaller mower for confined spaces was approximately \$8,000. A 61-inch mower could cost between \$14,000 and \$15,000. The \$17,000 budgeted also covers weed eaters, of which 6 to 8 are used daily during the summer season, costing \$400-\$500 each.

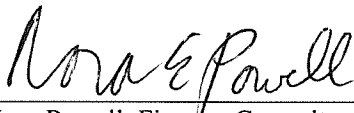
**OTHER BUSINESS:**

Clarification on Department Head Salaries (From Mr. Wright and Mr. Wagley):

- Chair Powell sought clarification regarding salary calculations for Department Heads noting that some proposed 2026 salaries exceeded the expected 8% increase over the 2025 adopted budget.
- The 2025 adopted budget was based on the 2024 budget plus 1%. An additional 4% was applied to Department Heads' salaries in 2025, resulting in a 5% raise for that year. With a proposed 4% increase for 2026, the cumulative increase from the 2025 adopted budget should be 8%.
- Discrepancies were highlighted:
  - Human Resources Director (Goddard) at a 6% total increase that should be 8%.
  - Channel 60 Communications Director (Greene) at 13%.
  - Animal Shelter Director (Taulbee) at 15% previously noted as 15.5%.
  - Beech Grove (Watters) at 6% that should be 8%.
- It was acknowledged that errors in calculation or transcription can occur (as Powell noted for Mr. Malone last year), potentially requiring review and adjustments to salary ordinances.
- Wagley confirmed that an attachment provided via email detailed the sources of amended funds (reimbursements for incidents like a wrecked police car), which adjust appropriations.
- Communication Protocol: Finance Committee members were reminded to include all members in courtesy copies when sending questions to the Administration via email, to ensure everyone receives the same information.

**ADJOURNED:**

A motion was made by McIntosh and seconded by Mason 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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