



## OFFICE OF THE CITY CLERK

KAREEMAH FOWLER, CITY CLERK

PERSONNEL & FINANCE

OCTOBER 3, 2016 6:00 P.M.

Committee Members Present: Karen L. White, Regina Williams-Preston,  
Gavin Ferlic

Committee Members Absent: John Voorde

Other Council Present: Jo M. Broden, Tim Scott, Dr. David Varner, Oliver Davis

Others Present: Jennifer Coffman, Kathleen Cekanski-Farrand,

Agenda: Budget Overview

Committee Chair Karen L. White

- Committee Chair Karen L. White called the meeting to order at 6:02 P.M.
- Committee Chair White welcomed everyone and announced that this is the 8<sup>th</sup> budget meeting this year.
- Each year the Council tries to hold one (1) to two (2) offsite budget meetings.
- The Administration will have thirty (30) minutes to present
- The public will have one (1) hour to ask questions
  - Committee Chair White asked the public to keep the questions focused on the budget
- Committee Chair White asked that the minutes from the budget hearings be placed online no later than tomorrow.

Council President Tim Scott

- Council President Tim Scott welcomed everyone to his district.

John Murphy, City Controller

- Mr. Murphy introduced the City Leadership that was present.
- Mr. Murphy began his presentation, which is available in the City Clerk's Office, by explaining the different types of funds in the City Budget.

455 County-City Building • 227 W. Jefferson Boulevard • South Bend, Indiana 46601  
Phone 574-235-9221 • Fax 574-235-9173 • TDD 574-235-5567 • [www.SouthBendIN.gov](http://www.SouthBendIN.gov)

JENNIFER M. COFFMAN  
CHIEF DEPUTY/ CHIEF OF STAFF

ALKEYNA M. ALDRIDGE  
DEPUTY/ DIRECTOR OF POLICY

JOSEPH MOLNAR  
ORDINANCE VIOLATION CLERK

- Mr. Murphy explained the Key Budget Dates including budget hearings and adoption
- Revenue is expected to be up eight percent (8%), due to new funds in the trustee type funds. Those funds have never been included before.
- Expenditures will be down one percent (1%), and there are variations within the different funds.
- The General Fund will be in balance.
- Mr. Murphy went through revenue and expenditures by activity
- He explained expenditures by fund type.
- He explained expenditures by type (salaries then capital).

Jennifer Hockenhill, Deputy City Controller

- Ms. Hockenhill explained that this is a \$366 million budget.
- She explained that it all begins with the Council and Administration's priorities.
- She explained the budget highlights for the Community (detailed in the slides)
  - Safe Community for Everyone
  - Strong, Inclusive Economy
  - Thriving Public Spaces
  - Vibrant, Welcoming Neighborhoods
  - Robust, Well-Planned Infrastructure
  - All Residents Empowered with Education, Mobility and Technology
- She explained the budget highlights for the City Internally
  - Great Employer with Great Employees
  - Enduring Financial Strength
  - Excellent Services and Efficient Processes
  - Modeling our Values (Excellence, Accountability, Innovation, Inclusion and Empowerment)
  - Robust Physical and Technological Capital Assets
  - Reliable Compliance with Regulations and Well-Managed Risk
  - Effective, Responsive Leadership and Communication

Mr. Murphy

- He explained that the City will suffer a \$3 million loss due to Circuit Breakers
- He explained the distribution of property taxes, and that cities and towns, schools, TIF Districts, Counties, Libraries, Townships, and special districts receive them
- There will be a two percent (2%) annual increase in local income taxes

Jennifer Hockenhill

- She went through the numbers of full-time budgeted positions.

- She detailed the budgeted head count
  - Fifty percent (50%) of the City workforce is in Police and Fire
  - Twenty-five percent (25%) of the City workforce is in Public Works
- She explained the 2016 budget book and where people can find it online.
- Ms. Hockenull stated that the City has a bond rating of AA.

### Speakers from the Public

William Dunn, 1620 Southwood Avenue, asked why the budget for the MADE Teen mentoring program has increased in the last couple of years. He also stated that several funds are in the vibrant welcoming neighborhoods category and asked what he can do to get more information about those to disseminate to his neighborhood association.

Aaron Perri, Executive Director of the Parks Department, stated the program is run out of the MLK center, and expenditures are identical to last few years, but it expanded and we added \$10,000. It is now open to women as well as an alternative afterschool activity program.

Mr. Murphy stated that we could get him more information on the Vibrant Welcoming Neighborhoods.

Karen White stated that it is a work in progress, and that they would like to include the various neighborhood associations.

Beth Leonard Inks, Department of Community Investment, stated that the Community Development Block Grant would be in this category, and that the City takes applications for these funds on a regular basis.

Paul Blascho 322 E. Colfax Avenue, stated that he interprets a safe community for everyone as public safety, and asked how much of the budget goes to the Police Department.

Mr. Murphy stated that the Police Department is at \$28.7 million in the General Fund, and Council President Scott explained that more detailed information is online.

Mr. Blascho asked what percentage of the money that is being spend in the Police Department's budget will be spent on policing technologies (cameras, upgrades in weapons).

Committee Chair White stated that the minutes go into detail from the September 6<sup>th</sup> meeting when the Police Department gave their presentation.

Mr. Blascho stated his confusion over how much of the percentage of the Police Department's budget is going to technologies versus education and training, considering that the priorities are community-based priorities.

Committee Chair White stated she would have to go back through the budget sheets to answer that question.

Dr. Varner wanted to clarify what technological expenses and purchases will be.

Mr. Blascho explained that he is referring to technological expenses versus the amount going to implicit bias training. All of the money seems to be going toward the technologies. He asked how that is justified in terms of the priorities listed, and if the Council first began receiving the budget information in the last three (3) weeks. He also asked when the budget information was made public.

Committee Chair White explained that they first got the schedule and then they had a budget kickoff, and the information has been available since August 17<sup>th</sup>.

Mr. Murphy stated that the day after each budget hearing is when the presentations went online.

Mr. Blascho explained that he was unable to figure out how to navigate the website to find the information that was posted.

Mr. Blascho asked when the public was first invited the budget meetings.

Committee Chair White stated that the public is always invited and able to comment, and that they welcome any suggestions that will promote transparency

Council President Scott explained that the Council can legally subtract from the budget, but they cannot add to it.

Councilmember Oliver Davis added that the Council can also advocate.

Mr. Blascho asked if the Council thought that the Police Department's budget was inappropriate, they could say that they are not going to pass it, and he asked whether or not they feel comfortable passing the budget with the information they have.

Committee Chair White stated that they are still in budget meetings, and they have a list of questions they will be going over.

Mr. Blascho stated that he wants to form an oversight committee of citizens to determine what the needs of the community are regarding the Police Department's budget.

Linda Wolfson, 809 Park Avenue, wants to call attention to the process. She would like to know if there is a way to revise the process to make it more participatory. In terms of the budget itself, so much of it is created by the Administration. Sometimes in the course of the year, there are concerns that are lost. There is not an ongoing conversation about the proper use of resources. Certain types of reactions could be avoided if those conversations would happen beforehand. We get to the end of the year and it comes up at

budget time, and we're told "we'll do that for next year." She wishes there was a way to have better communication to put things in place during the current budget.

Mr. Murphy mentioned that people can go to the popular annual report, and that there is going to be an upcoming webinar with the fiscal officers where he would bring up how to make it more participatory in terms of best practices. He also mentioned that reports are available to citizens so people can track how budgeting is going throughout the year.

John Hagan, 19575 Jewel Avenue, he wants to improve the number of people who are interested in the budget. It is discouraging how many people are showing up. He wonders if in determining the priorities we have somehow agreed that the Council knows exactly what its constituents want, but he don't think that's the case. He thinks that the Council really is responsible for seeing to it that citizens show up to your meetings.

Ms. Hockenull stated that this document will bring it all together to show the community how much is being spent on each individual program. Hopefully that will help more with condensing the information to help make it more understandable.

Ron Packer 122 E. Pokagon Street, asked if there will be any opportunity for citizens to declare what they believe are priorities in their communities.

Committee Chair White said that they could contact their councilmembers at any time. The Council receives the best feedback when they go to the neighborhood associations.

Mr. Packer suggested that announcements be placed in the waterbill along with the email address to where they can become a part of the mailing list.

Sharon Banicki, 3822 Ford St., stated that the Administration has stated that they are expecting an increase in property taxes, and asked where that is coming from since the City just tore down 1,000 houses.

Mr. Murphy stated it is based on net assessed value, based on the net amount in the City. It is the rate times the net assessed value. Many of the torn down homes were not paying taxes anyway.

Ms. Banicki stated that over \$800,000 is going into Four Winds Field next year, and asked when the City is going to cut them off.

Council President Scott said that most of the capital improvements come from the City. It is still a City entity, so there is a public private partnership with the field. Everyone thinks that it all belongs to Andrew Berlin, but it isn't all his.

Mr. Murphy stated that the Sports Development Fund is still collecting money. It is a debt service on the 2010 Coveleski Bond. The City is still paying that debt service off. It is being paid out of the Sports Development Fund, like a TIF district, but it involves income taxes. The money that is used is generated primarily by the team, and that goes

back into the City. The fund does not receive any General Fund money at all, most of it comes from the activity of the team.

Committee Chair White asked Mr. Perri and Mr. Murphy to explain that fund and the relationships further.

Ms. Banicki said that the City Clerk is asking for a fifteen percent (15%) raise based on comparable rates. Ms. Banicki believes Fort Wayne and Elkhart County is part City Clerk and part voter registration. She stated that the Clerk was comparing the figures, she was not comparing apples to apples.

Committeemember Williams-Preston stated that it would be interesting to look at the Clerk's salary and the City Administration as a whole. The departments need to retain talent. That same justification is used, because we need to increase salaries to make sure that we are comparable to other places and make sure we can retain talent. But we need to look at the services that each provide.

Committeemember Williams-Preston stated that she would love to talk to her about it. If we are going to raise the salary, we need to hold them accountable. We need to look at the responsibilities of the Clerk, what are the hours put in, are the other cities also doing the outside things we are doing and holding all of the meetings and managing all of the staff. We need to understand all of these things to make sure we are getting our bang for our buck from the City Administration as well. Councilmember Davis had asked why we are taking our time to take the other people to the living wage, but we are boosting these other salaries. If we are going to be true to our values about diversity and inclusion, in terms of equity and race, I would be interested in looking at salaries for females and minorities as well.

Committee Chair White concluded the meeting by thanking all of the citizens that participated and stated that all meeting minutes will be online tomorrow afternoon. Feel free to email any of the councilmembers with comments or questions.

Councilmember Jo Broden asked at what point or what is the mechanism for getting the answers and feedback for the questions that have been asked over the course of the seven (7) budget hearings.

Committee Chair White stated that the Council should just go back and check through all of the responses. She wants the Council to go through the questions to make sure they have answers for them. If any of the Councilmembers got information themselves, make sure that the whole Council gets it. She stated that she is having a conference call later this week with Ms. Hockenhull and the Clerk's office to discuss the questions and make sure that everything has been answered.

Committee Chair White adjourned the meeting at 7:17 P.M.

\*All Power Point presentations and additional attachments can be found on the City website under Administration and Finance.