

**Enrolled Memorandum of the Meeting
Study Session/Meeting (Convened Electronically/Hybrid)
Twenty-Ninth Town Council of Highland
Monday, August 16, 2021**

The Twenty-Ninth Town Council of the Town of Highland, Lake County, Indiana met *electronically* in a study session on **Monday, August 16, 2021**, at 6:35 O'clock P.M., in the regular place, the Highland Municipal Building, 3333 Ridge Road, Highland, Indiana. It was convened immediately following the special meeting that convened at 6:30 o'clock p.m.

Special Note. This meeting was convened as an in-person and electronic meeting, pursuant to Governor Holcomb's Executive Order 20-04, 20-09 and 20-25 allowing such meetings for the duration of the COVID-19 public health emergency, now extended by Executive Order No. 21-18, pursuant to IC 5-14-1.5-3.7. Some persons were participating remotely on a Zoom platform that allowed for real time interaction between and among all the Town Council and supported the public's ability to observe and record the proceedings. People were able to participate in person and remotely, allowing for all councilors to be simultaneously seen and heard. When the agenda item provided for public comment, this was supported as well. All councilors were able to participate on the Zoom platform.

All members of the Town Council, except Councilor Herak, were present in person, in the plenary meeting room of the Highland Municipal Building.

The meeting was streamed live on the Town of Highland, Indiana Facebook page and participation was supported by the Zoom on-line communication platform.

Silent Roll Call: Councilors Bernie Zemen, Tom Black, Mark Schocke and Roger Sheeman, were present in person as indicated. Councilor Mark Herak was absent. The Clerk-Treasurer, Michael W. Griffin was present to memorialize the proceedings. *A quorum was attained.*

Officials Present: John P. Reed, Town Attorney; Mark Knesek, Public Works Director; Peter T. Hojnicky, Police Chief, and William R. Timmer, Jr., CFOD, Fire Chief; were also present (electronically).

Additional Officials Present: Ed Dabrowski, IT Consultant/Director (Contract) and Board of Waterworks Directors, was present in person.

Guests: Robin Carlascio of the Idea Factory was also present, electronically.

General Substance of Matters Discussed.

1. **Discussion:** *Bonuses to be paid from surplus above reserves. Amount and purposes of the bonuses.* The Town Council discussed its action from the plenary meeting of August 9, 2021 to discuss at this meeting the prospect of authorizing bonuses for all workers, to be supported from the unreserved, undesignated fund balance on deposit to the credit of the Corporation General Fund.

The Clerk-Treasurer review the following report he prepared regarding the cash position of the General Fund at July 31, 2021. The report suggested that the fund reserve requirements set for this in HMC Sections 3.45.210 through 3.45.230. It was noted that there were sufficient resources to support an appreciation bonus in the amount of up to five thousand for all the full time persons, and the paid on call fire fighters.

There was a colloquy regarding whether any bonus should be the same for all the recipients. The discussion explored whether there should be some consideration for the level of risk or exposure as determining the amount of the bonus. The discussion included whether to consider police and fire staff as a separate class of recipients.

The discussion included the concept of allowing the department heads to offer input regarding what they believed their workers should receive. The Town Council President indicated that he would discuss this with the department heads at the weekly meeting department heads conference.

All Departments Full Time employees + Part time FireFighters									
\$5,000.00 example	Number of FT +FF Employees		D+E	Social Security 6.2%	Medicare 1.45%	PERF 14.2%	Department Total		
Clerk-Treasurer's Office	7	\$ 5,000.00	\$ 35,000.00	2,170.00	507.50	4,970.00	42,647.50		
Building & Inspection	4	\$ 5,000.00	\$ 20,000.00	1,240.00	290.00	2,840.00	24,370.00		
Police Clerical	7	\$ 5,000.00	\$ 35,000.00	2,170.00	507.50	4,970.00	42,647.50	Police Dept Total	
Police Sworn	39	\$ 5,000.00	\$ 195,000.00	-	2,827.50	-	197,827.50		240,475.00
Public Works	33	\$ 5,000.00	\$ 165,000.00	10,230.00	2,392.50	23,430.00	201,052.50		
Park	16	\$ 5,000.00	\$ 80,000.00	4,960.00	1,160.00	11,360.00	97,480.00		
Fire	1	\$ 5,000.00	\$ 5,000.00	310.00	72.50	710.00	6,092.50	Fire Dept Total	
FireFighters PT	31	\$ 5,000.00	\$ 155,000.00	9,610.00	2,247.50	-	166,857.50		172,950.00
Redevelopment	2	\$ 5,000.00	\$ 10,000.00	620.00	145.00	1,420.00	12,185.00		
Total	140		700,000.00	31,310.00	10,150.00	49,700.00	\$ 791,160.00		

\$2,500 Example									
	Number of FT +FF Employees		D+E	Social Security 6.2%	Medicare 1.45%	PERF 14.2%	Department Total		
Clerk-Treasurer's Office	7	\$ 2,500.00	\$ 17,500.00	1,085.00	253.75	2,485.00	21,323.75		
Building & Inspection	4	\$ 2,500.00	\$ 10,000.00	620.00	145.00	1,420.00	12,185.00		
Police Clerical	7	\$ 2,500.00	\$ 17,500.00	1,085.00	253.75	2,485.00	21,323.75	Police Dept Total	
Police Sworn	39	\$ 2,500.00	\$ 97,500.00	-	1,413.75	-	98,913.75		120,237.50
Public Works	33	\$ 2,500.00	\$ 82,500.00	5,115.00	1,196.25	11,715.00	100,526.25		
Park	16	\$ 2,500.00	\$ 40,000.00	2,480.00	580.00	5,680.00	48,740.00		
Fire	1	\$ 2,500.00	\$ 2,500.00	155.00	36.25	355.00	3,046.25		
FireFighters PT	31	\$ 2,500.00	\$ 77,500.00	4,805.00	1,123.75	-	83,428.75		
Redevelopment	2	\$ 2,500.00	\$ 5,000.00	310.00	72.50	710.00	6,092.50		
Total	140		350,000.00	15,655.00	5,075.00	24,850.00	\$ 395,580.00		

GENERAL FUND CASH POSITION AT JULY 31 2021

Jan 1 Cash after Encum	\$ 5,797,913.39	
Dec 31 Cash Balance (Not adjusted)	\$ 5,508,722.52	
Transfer for Rainy Day	\$ -	
Adjusted collections	\$ 211,296.12	
Adjusted by Circuit Breaker	\$ 422,592.24	
Real Ending Cash Balance 12.31.2021	\$ 4,874,834.16	133 %
Restricted Q3/Helios Funds	\$ 39,000.00	
Unreserved Fund Balance	\$ 1,160,909.63	
RESERVED Fund Balance	\$ 3,674,924.53	
Change in balance before adjustments	\$ (289,190.87)	
Change in cash Balance	\$ (923,079.23)	
Required Reserve Balance:	\$ 3,674,924.53	
Adjusted to allow for the 5 months with changes from additional appropriations.		

Notes: Some of that unreserved balance is used for loans to the debt service funds

It will likely be needed to reinforce the Rainy Day Fund to make sure that the Park General Fund makes it required reserve balance under our code.

See Sections HMC 3.45.210 and 3.45.230 regarding the reserve requirement.

Allowing for that, there is unreserved undesignated fund balance that could be appropriated for bonuses only subject to the usual rules for compensation.

2. **Discussion:** *Highland Athletic Department Ad for the athletic book.* The Town Council President reviewed the request from the School Town of Highland Athletic Department for a sponsoring ad. It was noted that Councilor Zemen had handled this matter for the council before. It was noted that there was general consensus to continue the practice of buying ad advertisement.
3. **Discussion:** *Establishing a policy providing a one year waiving of worker health insurance premium when that worker converts from the PPO plan to the high deductible plan.* The Town Clerk-Treasurer presented his suggestion about the desirability of creating a standing rule that allowed for an incentive for employees who were currently covered by the PPO plan to move to the high deductible health plan (HDHP). The clerk-treasurer noted the one-time that a waiver of the employee group premium for a worker who moved to the HDHP in the first year. It was noted that this approach was successful when it was tried before as an incentive.

The discussion included the desire by the Town Council to see the number of workers in each plan and the impact of the forgone revenue if the policy suggestion was adopted. The Clerk-Treasurer indicated that he would provide this information for the consideration at the next meeting.

4. **Discussion:** *Review the current levels of employer contributions to the Health Savings Accounts of workers in the high deductible plan.* The Town Clerk-Treasurer presented a report showing the history of the employer contribution to workers' health savings accounts (H.S.A.). The reports showed that the shared savings at one time was proximate to 70% but over time that percentage had eroded. Whether that metric should be restored, was to be discussed. The clerk-treasurer noted that the current level was a round 50% shared savings. The Town Clerk-treasurer suggested that the Town Council consider raising it to 60% It was noted that this would be discussed at a future study session.

Health Savings Accounts	Our original ratio was 70/30 meaning we shared 70 % of savings with employee			FY 2019					
Employer Contributions	It had eroded over time with increases in premiums			Annualized amount	HIGH DEDUCTABLE PLAN Monthly premium	Annualized amount	Savings Between the Plans	Percentage returned to the workers	
GROUP MEDICAL/HEALTH INSURANCE	Employer Quarterly Contribution	Annualized amount	PPO Plan regular deductible Monthly Premium	Annualized amount	HIGH DEDUCTABLE PLAN Monthly premium	Annualized amount	Savings Between the Plans	Percentage returned to the workers	
Employee only	\$ 225.00	\$ 900.00	\$ 694.74	\$ 8,336.88	\$ 585.35	\$ 7,024.20	\$ 1,312.68	68.6%	
Employee with Child(ren)	\$ 429.50	\$ 1,718.00	\$ 1,319.98	\$ 15,839.76	\$ 1,112.16	\$ 13,345.92	\$ 2,493.84	68.9%	
Employee with Spouse	\$ 452.25	\$ 1,809.00	\$ 1,389.43	\$ 16,673.16	\$ 1,170.68	\$ 14,048.16	\$ 2,625.00	68.9%	
Family Coverage	\$ 655.75	\$ 2,623.00	\$ 2,014.69	\$ 24,176.28	\$ 1,697.52	\$ 20,370.24	\$ 3,806.04	68.9%	

GROUP MEDICAL/HEALTH INSURANCE	Employer Semi Annual Contribution	Annualized amount	PPO Plan regular deductible Monthly Premium	FY 2020			Savings Between the Plans	Percentage returned to the workers
				Annualized amount	HIGH DEDUCTABLE PLAN Monthly premium	Annualized amount		
Employee only	\$ 490.50	\$ 981.00	\$ 946.04	\$ 11,352.48	\$ 797.08	\$ 9,564.96	\$ 1,787.52	54.9%
Employee with Child(ren)	\$ 948.00	\$ 1,896.00	\$ 1,797.43	\$ 21,569.16	\$ 1,514.45	\$ 18,173.40	\$ 3,395.76	55.8%
Employee with Spouse	\$ 998.00	\$ 1,996.00	\$ 1,892.01	\$ 22,704.12	\$ 1,594.13	\$ 19,129.56	\$ 3,574.56	55.8%
Family Coverage	\$ 1,446.00	\$ 2,892.00	\$ 2,743.43	\$ 32,921.16	\$ 2,311.55	\$ 27,738.60	\$ 5,182.56	55.8%
							\$ 2,800.00	
GROUP MEDICAL/HEALTH INSURANCE	Employer Semi Annual Contribution	Annualized amount	PPO Plan regular deductible Monthly Premium	FY 2021			Savings Between the Plans	Percentage returned to the workers
Employee only	\$ 490.50	\$ 981.00	\$ 1,043.48	\$ 12,521.76	\$ 879.18	\$ 10,550.16	\$ 1,971.60	49.8%
Employee with Child(ren)	\$ 948.00	\$ 1,896.00	\$ 1,982.57	\$ 23,790.84	\$ 1,670.44	\$ 20,045.28	\$ 3,745.56	50.6%
Employee with Spouse	\$ 998.00	\$ 1,996.00	\$ 2,086.89	\$ 25,042.68	\$ 1,758.33	\$ 21,099.96	\$ 3,942.72	50.6%
Family Coverage	\$ 1,446.00	\$ 2,892.00	\$ 3,026.00	\$ 36,312.00	\$ 2,549.64	\$ 30,595.68	\$ 5,716.32	50.6%

5. Discussion: *Proposed Ordinance for Town Manager.* The Town Council President reviewed an ordinance for mark-up that if adopted would establish the office of the Town Manager. The ordinance featured most of the provisions that are in the enabling state law. However, the power to directly release workers or fire them was being modified to permit discipline but any action such as enforced separation would be in the form of a recommendation.

The Town Council president presented his rationale for the need for such a position related to the need for the Town Council to focus on policy and more strategic planning rather than the day to day operation of the municipality.

The discussion included a consideration of whether there was public support for the establishment of such a position. There was a colloquy between Councilor Schocke and the Town Council President on what the role of the Town Council is and the role of the individual councilors in running the town.

The discussion included the prospect of a town manager being able to garner grants for the use of the town. The discussion included the likely salary that would be necessary as being “six figures” and whether a public forum or educational program to better inform the public about the merits of such a position might be desirable.

Comment from a Resident. With leave from the Town Council, the Town Council President acknowledged a resident, Richard Garza, Highland, who commented on the protracted period between his call reporting certain issues on the bike trail and the period when his concerned were addressed or when he received a return call. Mr. Garza stated that when he contacted Councilor Herak he did not have this issue.

6. Ad Hoc Discussion: *Possible Compensation for the Community Events Commission.* The Town Council President noted the costs of offering the same salary that is paid to most other boards and commissions and stated that it would be \$8,397. He further noted that no other board or commission that receives wages has 16 members.

The Town Council discussed the prospects of placing the commission under the aegis of the Parks and Recreation Department. It was suggested by Councilor Schocke that the compensation could be better supported in the parks and recreation budget rather than the funding source of the special events non reverting Fund. It was further

suggested that it might be helpful to understand why the Community Events Commission was once under the aegis of the parks and recreation department and now is not.

7. **Ad Hoc Discussion:** *Update regarding the Munster Initiated Main Street Improvement Project.* The Town Council President reported that he had conferred with the Town Manager Dustin Anderson communicating the Highland's concerns regarding how the joint Main Street Project that involves Schererville and Highland along with Munster did not sufficiently improve Main Street in the Highland jurisdiction. It had been previously noted that the project in the Munster -Schererville portion improves to four lanes and the comes to two lanes in the Highland section, which then becomes four lanes again. It was suggested that Mr. Anderson would take the concerns to the Munster Town Council.
8. **Ad Hoc Discussion:** *Alternative Sources for the Water utilities.* The Town Council President, noting the recent litigation by the wholesale water customer communities (Griffith, Highland, Munster, Whiting and Dyer) with the City of Hammond Department of Waterworks, indicated that he would be committing some time to opening discussions with those same communities and others to find ways to lower the cost curve for future wholesale water purchases.

There being no further matters to discuss , the Town Council President adjourned the standing study session of Monday, August 16, 2021, at 8:14 o'clock p.m.

Michael W. Griffin, IAMC/MMC/CPFA/ACPFIM/CMO
Clerk-Treasurer